



Wiser decisions
for a healthier Australia.



Above: Rosemary Moir, 45 and Up Study participant

We believe evidence from health research is fundamental to policy to improve the health of the community.

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Chair's Report

Wiser decisions for a healthier Australia

In 2008–2009 there were unprecedented discussions about the challenges facing Australia's health system and potential health reform strategies. At the national level, both the National Preventative Health Taskforce and the National Health and Hospitals Reform Commission proposed substantial reform agendas. *The Final Report of the Special Commission of Inquiry: Acute Care Services in NSW Public Hospitals* ('the Garling Report') is likely to have far-reaching consequences within NSW and beyond. These initiatives offer substantial and exciting new opportunities for health research to contribute to the development and evaluation of new policies and programs.

Australia must make wise decisions in order for this reform agenda to result in improved health for all Australians. To ensure that decisions are informed by the best knowledge from research, the Sax Institute helps health decision makers:

- Analyse how research can aid their decisions
- Access the best available research findings
- Answer critical questions with new research.

The Sax Institute has enjoyed some major achievements during the year. More than 260 000 men and women across NSW aged 45 and over have generously agreed to share their health information through participation in the 45 and Up Study. The data gathered will help the Sax Institute answer vital research questions about healthy ageing.

It was encouraging to see the continuing strength of the Coalition for Research to Improve Aboriginal Health, and the growth of the Study of Environment on Aboriginal Resilience and Child Health (SEARCH). The potential of SEARCH – now well established in several Aboriginal Community Controlled Health Services – to answer important questions about improving the health of Aboriginal Australians and to contribute to the Federal Government's Close the Gap initiatives is enormously exciting.

The Sax Institute has continued to stimulate dialogue and exchange between health researchers and policy makers. The Hospital Alliance for Research Collaboration now has a network of over 7000 clinicians, managers, researchers and policy makers. Over 130 leading health researchers and policy makers from across Australia attended the 2008 Health Policy and Research Exchange.

None of these achievements would have been possible without the contributions of researchers in NSW. I thank our members for their support and commitment to increasing the use of evidence from health research in policy. We are grateful to the growing number of partner agencies that generously support our work.

I also thank my fellow Board members for their hard work and enthusiasm during the year. On behalf of the Board, I commend the dedication and leadership of the Chief Executive Officer, the management team and all of the staff at the Sax Institute.

Our immediate goal is to see evidence from research increasingly considered as an integral part of the formulation and evaluation of health policy in Australia. We look forward to building on the achievements of 2008–2009 and to ensuring that the best possible evidence is readily available to underpin Australia's health services.

A handwritten signature in black ink that reads "Irene Moss". The signature is written in a cursive, flowing style.

Dr Irene Moss AO
Chair

Highlights in 2008–2009

45 and Up Study completes recruitment

- Australia's largest study into healthy ageing has now recruited over 260 000 participants aged 45 and over from across NSW – representing approximately 10% of this target age group. Forty-three applications using data from the 45 and Up Study have been approved, and 20 projects are already under way.

Closing the Gap

- The *Study of Environment on Aboriginal Resilience and Child Health* (SEARCH) has been established in four urban Aboriginal Community Controlled Health Services across NSW. During the last 12 months over 500 children from more than 200 families have joined this long-term study of the health of 2000 Aboriginal children.

Embedding the use of evidence in policy

- The Sax Institute undertook 13 *Evidence Check* reviews for six government agencies in diverse health policy areas. This brings the total number of reviews undertaken to 48. A review of the Institute's *Evidence Check* program demonstrated a high level of satisfaction with the evidence reviews among health policy clients and researchers, and peer reviews of the work confirmed the program's quality and reliability.

Increasing capacity to build research

- Scholars from across NSW utilised the Sax Institute's research assets and capabilities to develop 20 applications to competitive grant funding agencies, and to generate 35 peer-reviewed journal articles. The work of the Institute also contributed to supporting 25 early career researchers.

Bringing together clinicians and researchers

- Over 150 senior policy makers, managers, clinicians and researchers participated in a high-profile Hospital Alliance for Research Collaboration (HARC) forum and discussed ways of improving public confidence in our hospital system.

Wiser decisions

Our vision. Evidence from health research is considered fundamental to policy to improve the health of the community.

for a healthier Australia

Our mission. To improve health, health services and programs by increasing the use of research in policy making.

Our values.

The Sax Institute is:

- Independent
- Innovative
- Committed to quality
- Accountable
- Transparent.



Our work

The Sax Institute was founded in 2002 to act as a bridge between health researchers and health policy makers in Australia. This gives us a uniquely valuable role.

As an independent, not-for-profit organisation we receive core funding from NSW Health. We are also supported by government, non-government, philanthropic and competitive research funding agencies. Our membership comprises 37 public health and health services research groups and their Universities, and thus includes the vast majority of health researchers in NSW – many of whom are national and international leaders in their fields.

To maximise the benefits from research, Australia's health decision makers need to be able to access relevant research findings quickly, and translate them into timely and appropriate policy and practice. The Sax Institute helps them utilise the most recent and reliable evidence from research in their decisions, in order to optimise the health outcomes for all Australians. We help government and other policy agencies:

- *Analyse* how research can aid their decisions
- *Access* the best available research findings
- *Answer* critical questions with new research.

Key program areas

Through our programs and research assets we address some of the most important questions that face Australian health policy makers and impact on the well-being and quality of life of all Australians:

- How can we help people stay healthy and independent as they age?
- How can we improve Aboriginal health and close the gap in life expectancy?
- How can we ensure our hospitals are safe and provide quality care?
- How can we use limited health resources most efficiently?

Thanks to our renewed five-year funding from NSW Health (2008–2013) and the generous support of our funders and partners, the Sax Institute can continue to deliver valuable outcomes in our key program areas:

Enhancing the use of research in policy. Through our Policy Impact Program, the Sax Institute helps government and other policy agencies access research and analyse its importance, to enable wiser decisions about the use of health dollars and the design of health services.

Policy relevant research assets. Through our asset program, we have built resources to strengthen the capacity in NSW to undertake policy relevant research. In partnership with the Aboriginal Health and Medical Research Council of New South Wales (AH&MRC), we have built the Coalition for Research to Improve Aboriginal Health (CRIA). CRIA forges partnerships between researchers and Aboriginal communities, and helps train and support Aboriginal health researchers so that concrete solutions to improving the health and life expectancy of Aboriginal Australians can be found. We have also established the 45 and Up Study, which facilitates research to answer questions about healthy, independent ageing. Through the Hospital Alliance for Research Collaboration we have built lasting partnerships and platforms to answer questions about how our hospital services can operate more efficiently and effectively.

Building best practice in knowledge transfer. We have contributed to international knowledge about how to increase the use of evidence in policy, and about best practice models for increasing the use of research by policy makers.

Board of Directors Pictured right

1. Dr Irene Moss AO (Chair) is nationally recognised for her expertise in public sector governance. She was Australia's first Federal Race Discrimination Commissioner, and has been the NSW Ombudsman and the Commissioner, Independent Commission Against Corruption.

2. Kim Anderson has extensive experience as an executive in publishing, online media and television, including with Harper Collins Interactive, New York; Southern Cross View; the Nine Network; and PBL. She is a co-founder of The Reading Room, an online community for readers, and is a Fellow of Senate at the University of Sydney.

3. Professor Bruce Armstrong AM is an international leader in cancer research and in 2006 received the inaugural New South Wales Premier's award for NSW Cancer Researcher of the Year. He has been Deputy Director of the International Agency for Research in Cancer, the Director of the Australian Institute for Health and Welfare and the Commissioner of Health for Western Australia.

4. Professor Alan Cass is Senior Director at The George Institute for International Health and Co-Director of the Poche Centre for Indigenous Health, the University of Sydney. He is an academic physician with an interest in clinical and health services research and is a recognised expert in Aboriginal health research.

5. Dr Kerry Chant is a public health physician who is the current NSW Chief Health Officer and Deputy Director-General, Population Health, NSW Department of Health. She has extensive public health experience in NSW, having held a range of senior positions in NSW public health units since 1991. Dr Chant has a particular interest in blood-borne virus infections and Aboriginal health.

6. Associate Professor Marion Haas is a Deputy Director of the Centre for Health Economics Research & Evaluation and Associate Professor of Health Services Research at the University of Technology, Sydney. She has a PhD in public health and over 15 years experience in health economics, health services and health policy research. She is a member of the UTS Human Research Ethics Committee.

7. Professor Michael Hensley is the Dean of Medicine of the Joint Medical Program of The University of Newcastle and the University of New England; Head of the School of Medicine and Public Health of the University of Newcastle; and Head of the Department of Respiratory and Sleep Medicine at the John Hunter Hospital, Newcastle. He is Vice-President of Medical Deans, Australia and New Zealand. Professor Hensley has over 30 years' experience across medical education, medical research and clinical practice.

8. Michael Lambert is a consultant with the Royal Bank of Scotland and sits on various commercial and not-for-profit organisation boards. Previously he was Secretary of the NSW Treasury.

9. Christopher Paxton is a founding Director of Crescendo Partners. He has over 15 years of experience working on corporate and business strategy, acquisitions and restructuring with leading companies in Australia, Europe, the USA and Asia. Previously he was a Vice President at AT Kearney.

10. Professor Sally Redman (ex officio) is the CEO of the Sax Institute. She has extensive experience in public health research, particularly the evaluation of programs designed to improve health and health care. Previously she was the inaugural Director of the National Breast Cancer Centre.

11. Professor Glenn Salkeld is a health economist who is Head of School at the School of Public Health, University of Sydney. He has been a member of a number of key Commonwealth committees, including the Pharmaceutical Benefits Advisory Committee and the National Bowel Cancer Screening Committee.

12. Professor Peter Smith is Dean of the Faculty of Medicine at The University of New South Wales. He has had a distinguished career in paediatrics and haematology/oncology in Australia, and was previously Dean of the Faculty of Medical and Health Sciences at The University of Auckland.



Executive and Senior Management Team in 2008–2009

Professor Sally Redman
Chief Executive Officer

Adam Blake
Director, Development &
Communications

Deborah Frew
Director, Policy Impact Program

Dr Mary Haines
Director, Health Services Research

Professor Louisa Jorm
Director, Research

Marianne Karam
Chief Operating Officer

Dr Sonia Wutzke
Director, Research Assets

Enhancing the use of research in policy



Policy Impact Program

The cost of health care is predicted to grow as a proportion of Australia's gross domestic product. To make the best decisions about how to use increasingly scarce resources, Australia's health decision makers need to know which policies and programs are likely to bring the best results in the most cost-effective ways.

All health policies and programs – whether they are about the best public health interventions, the most cost-effective provision of resources or the best treatment methods – need to be based on the most recent and reliable evidence. However, the Sax Institute's own research has shown that policy makers have difficulty with:

- Accessing evidence from research
- Analysing what research means for their policies and programs
- Making contact with the right researchers when they need them.

The Sax Institute's Policy Impact Program aims to bridge research and policy by helping policy makers access and analyse research to answer important questions.

In 2008–2009 the Sax Institute continued to expand its work in this field through the *Evidence Check* program. This unique program connects health policy makers to leading health researchers, and provides government and other policy agencies with research reviews that:

- Are highly targeted to their questions
- Provide alternative solutions based on evidence
- Are concise and understandable to non-expert decision makers and stakeholders
- Are available rapidly, to meet the needs of the policy cycle.

The *Evidence Check* program achieves these outcomes through its unique knowledge brokering techniques. Specially trained Sax Institute knowledge brokers, who have extensive experience as both researchers and policy makers, work with government and other policy agencies to ensure that they can gain quick, cost-effective and efficient access to the research evidence they need.

This year the Sax Institute continued to provide a range of services that bring the latest evidence to the doorsteps of those who make health decisions and health policy in Australia. The *PulsE* eBulletin provides policy makers with a guide to recent high-quality, systematic reviews so they can find research more easily when they need it. The Sax Institute also produces information bulletins tailored to the needs of specific government agencies.

Major achievements in 2008–2009

Getting research into policy. This year the Sax Institute helped six government agencies across Australia – including NSW Department of Health, NSW Treasury, the NSW Department of Ageing, Disability and Home Care and the Victorian Department of Human Services – to access evidence to develop and evaluate their health policy programs.

Answering policy makers' questions. Thirteen *Evidence Check* reviews were undertaken for policy clients by leading national and international health researchers. These reviews answered such diverse questions as:

- What strategies have been used in Australia and around the world to help communities that have been devastated by natural disasters by building social capital, facilitating and mobilising social participation and inclusion, and building resilience?
- What strategies could help resolve family disputes about end-of-life care?
- How does providing after-hours primary care services affect hospital emergency department and ambulance services?
- What programs would be most effective in preventing and reducing domestic and family violence?

The *Evidence Check Review* was one of the most policy-relevant pieces of work that we've ever really got from researchers, because the researcher understood the need to actually provide recommendations that would be readily adopted by practitioners on the ground.

Andrew Milat, Manager, Strategic Research and Development Branch, NSW Department of Health

Harnessing the best research expertise. The Sax Institute's Research Accessible Database for the Allocation of Reviews (RADAR) contains details of researchers who have expressed an interest in working with the Sax Institute and government agencies to provide the best research to inform decision making. RADAR expanded significantly this year and now contains details of over 90 national and international researchers.

Bringing evidence to policy makers. Four editions of the *PulsE* eBulletin were distributed to around 230 researchers and policy makers.

Evaluating our services. A review of the Sax Institute's *Evidence Check* program demonstrated that researchers and policy clients value the program and are enthusiastic about using it again. The quality and reliability of *Evidence Check* reviews rated highly when they were peer reviewed by expert researchers.

Bringing policy makers and researchers together. The 2008 Health Policy and Research Exchange brought together over 130 researchers and policy makers to discuss and develop solutions through research to such major policy challenges as obesity; closing the gap in life expectancy between Aboriginal and non-Aboriginal Australians; and planning the future health workforce. At a leaders' workshop, more than 50 participants from the policy-making coalface examined how to provide incentives for policy-relevant research and how to increase research on the effectiveness of health programs.

2008 Health Policy and Research Exchange



Rebecca James, Chief Executive Officer, Research Australia



Professor James Bishop, Chief Medical Officer for the Australian Government



Professor Sally Redman, Chief Executive Officer, The Sax Institute

issue \rightarrow response

Case Study

Which physical activities best help older people avoid falls?

For older people, falls are a major cause of injury, poor quality of life, and death. A serious fall is the most important predictor of loss of independence and premature admission to permanent residential aged care. Falls in older people are increasing, and health services need access to research findings about the best approaches to reverse this trend.

The Sax Institute commissioned a review undertaken by Dr Jacqueline Close, Dr Catherine Sherrington and Professor Stephen Lord for NSW Health to explore whether physical activity could prevent falls. Based on the research findings, the review made a series of recommendations about the type, frequency and intensity of physical activity that is most effective in reducing the increasing rate of falls in older people. These recommendations were distributed widely to clinicians and health promotion staff, and have prompted a review of NSW Health's fall prevention programs to assess their use of evidence-based best practice.

Policy relevant research assets



The 45 and Up Study

As Australia's population ages the proportion of the Australian population aged over 65 is projected to increase. It is therefore crucial that we understand what leads to healthy ageing, and how we can remain healthy and independent as we age.

In order to foster research into healthy ageing, the Sax Institute has established the 45 and Up Study ('the Study') – the largest cohort study ever conducted in Australia and the largest population-based cohort study in the southern hemisphere. The existence of this study in Australia means that researchers can undertake policy-relevant research into healthy ageing in a more timely, more locally relevant and far less expensive way than would otherwise be possible.

More than 260 000 men and women from across NSW aged 45 and over – about 10% of this age group – have been recruited to the Study, and their health will be followed over the coming decades. Participants in the Study provide demographic, lifestyle and health information through a brief baseline questionnaire and re-surveys at least once every five years. With consent, participant information can be linked to other health databases for further studies.

The 45 and Up Study is managed by the Sax Institute in collaboration with its partners, Cancer Council NSW; the National Heart Foundation of Australia (NSW Division); *beyondblue: the national depression initiative*; NSW Health; the NSW Department of Ageing, Disability and Home Care; and, most recently, UnitingCare Ageing. The Study was also supported over the last year by the Macquarie Group Foundation, Freehills and the Alma Hazel Eddy Trust (managed by Perpetual Limited).

Major achievements in 2008–2009

Study reaches full recruitment. A further 145 000 participants were recruited to the 45 and Up Study during 2008–2009, finalising the cohort at over 260 000 men and women across NSW.

New Study partner. In 2008–2009 UnitingCare Ageing joined other funders and partners in supporting the 45 and Up Study. UnitingCare Ageing is the largest provider of aged care services in NSW and the ACT, and cares for more than 14 000 people every day with 6500 staff and 2000 volunteers.

Linkage to other health information. More than 100 000 participants in the Study have been included in the Centre for Health Record Linkage (CHeReL) Master Linkage Key. This enables data collected by the 45 and Up Study to be confidentially linked with a wide range of routinely collected health-related data – for example about deaths, cancer notifications, hospital admissions and the use of health services. De-identified, linked records are helping researchers gain a more comprehensive picture of the health of the population than would otherwise be possible. This increases the amount of research that can be carried out within a given budget and helps ensure the best use of funds for health research.

Understanding the connection between genes, lifestyle and environment. A pilot project funded by Cancer Council NSW for collecting, processing and storing detailed physical measures and blood samples from approximately 1000 Study participants has commenced. In the future the Sax Institute intends to collect samples from as many participants as possible, to help researchers understand how genetic makeup, lifestyle and environment combine to contribute to healthy ageing.

International collaborations. A collaboration between the 45 and Up Study and the Million Women Study in the UK – focused on the health of women aged 50 and over – is enabling comparisons between the performance of the Australian and UK health systems, and providing an expanded database for exploring questions and finding answers about women's health.

Finding answers through research. Forty-three applications using data from the Study have been approved, and 20 projects from various institutions are under way. Eight of these commenced in 2008–2009.



Professor Elio Riboli, Chair in Cancer Epidemiology and Prevention, Imperial College London, at the 5th Annual 45 and Up Study Collaborators' Meeting

“It’s a good feeling to know that my experience can help make things better for other people.”

Rosemary Moir, 45 and Up Study participant

“The 45 and Up Study provides a powerful resource for answering key questions about the causes of cancer, risk factors and effective treatments.”

Dr Andrew Penman, Chief Executive Officer, Cancer Council NSW

Attracting research dollars. Researchers continue to receive funding for projects using the Study. This includes:

- A grant of \$953 000 from the National Health and Medical Research Council (NHMRC) – for a project investigating novel lifestyle and infectious risk factors for non-melanoma skin cancer (Associate Professor Freddy Sitas, Cancer Council NSW, et al)
- A grant of \$30 000 from The University of New South Wales – for underpinning future work on the management of diabetes and chronic disease (Associate Professor Elizabeth Comino, University of NSW, et al)
- An Australian Research Council (ARC) Discovery Grant of \$240 500 – for examining retirement transition within a life expectancy framework (Professor Beryl Hesketh, University of Western Sydney, et al)
- A National Heart Foundation/*beyondblue* Strategic Research Program grant of \$593 000 – for investigating the effectiveness of an e-health intervention on depression and cognitive functioning in people with evidence of existing cardiovascular disease (Professor Ian Hickie, University of NSW, et al).

Collaboration between policy makers and researchers. The 5th Annual 45 and Up Study Collaborators' Meeting, held in October 2008, brought together over 130 researchers and policy makers to facilitate the best use of data from the Study.

Policy-relevant research. The Sax Institute managed two programs funded by research end-user agencies (the MBF Foundation and *beyondblue: the national depression initiative*) in order to promote the early use of data from the Study as a resource for policy-relevant research. Projects in 2008–2009 included:

- A descriptive analysis of the characteristics associated with having private health insurance
- An exploration of the association between physical inactivity (screen-time) and obesity
- An investigation, involving analysis of Medicare Benefits Schedule (MBS) and Pharmaceutical Benefits Scheme (PBS) data, of participants who have had hip or knee replacements – to examine trajectories of service and medication
- A description of the mental health status of 45 and Up Study participants, and the interrelationships between their mental health problems, other chronic diseases, and risk factors for chronic disease.

issue response

Case Study

Who is receiving screening for colorectal cancer?

National guidelines recommend screening for colorectal cancer for all Australians over 50, since early detection is vital to improving outcomes. Yet Australia has one of the highest rates of colorectal cancer in the world. Our health decision makers need answers to questions about participation in colorectal cancer screening programs so they can promote and recruit for them more successfully. Using data from the Sax Institute's 45 and Up Study, research led by Dr Marianne Weber from Cancer Council NSW has shown that Australians without a partner, people with English as a second language, women and poorer Australians are less likely to be screened, while people living in regional areas are more likely to be screened than those living in remote or urban areas. People at higher risk of developing colorectal cancer – including smokers, sedentary people and those who do not include fruit or vegetables in their diet – are also less likely to be screened. Data from the 45 and Up Study will help health decision makers ensure that Australians who are most at risk take part in the National Bowel Cancer Screening Program.

Coalition for Research to Improve Aboriginal Health

The life expectancy of Aboriginal people is substantially less than that of non-Aboriginal Australians. Aboriginal people experience higher rates of infant mortality, diabetes, kidney and other diseases. Over the past 20 years there has been little change in the significant health differentials between Aboriginal and non-Aboriginal people.

The Australian Government has made a commitment to close the life expectancy gap. For this to be achieved, research is urgently needed to find out what programs are most likely to be effective in improving Aboriginal health.

In 2003 the Sax Institute and the Aboriginal Health and Medical Research Council of New South Wales (AH&MRC) formed the Coalition for Research to Improve Aboriginal Health (CRIA). This coalition brings together Aboriginal communities represented by Aboriginal Community Controlled Health Services (ACCHSs) and health researchers. CRIA is helping to provide a way forward by:

- Building partnerships between researchers and Aboriginal communities, so that research can focus on the areas of greatest importance in closing the gap and improving health outcomes
- Developing capacity among researchers from Aboriginal backgrounds, to ensure that research is focused on the needs of Aboriginal people and their communities
- Establishing research infrastructure so that Aboriginal research will have a strong basis in the future
- Working with policy makers to ensure that research findings are implemented in positive, forward-thinking programs
- Building the Study of Environment on Aboriginal Resilience and Child Health (SEARCH) – Australia’s first longitudinal study of the health of urban Aboriginal Australians.

Major achievements in 2008–2009

Attracting research dollars for Aboriginal Health. CRIA has contributed to a substantial increase in National Health and Medical Research Council (NHMRC) research funding to NSW for Aboriginal health research – from less than \$0.5 million per annum in 2002 to over \$5 million per annum in recent years.

SEARCH continues to expand. The SEARCH cohort has now been established in four urban ACCHSs across NSW. During the past year over 500 children from more than 200 families were recruited to the Study, and 10 Aboriginal research officers were appointed to coordinate the Study, recruit participants and collect detailed health and lifestyle information.

Supporting Aboriginal health researchers. Through an NHMRC Capacity Building Grant in Population Health, 10 early-career researchers were supported in training positions in Aboriginal health research. Five of these researchers – including three who are enrolled in doctoral research programs – are Aboriginal people.

SEARCH Study



SEARCH and Tharawal Aboriginal Corporation staff



SEARCH participant



SEARCH participants

issue response

Case Study



New answers for improving the mental health of Aboriginal young people

It is estimated that a quarter of all Aboriginal children experience clinically significant emotional or behavioural problems. This rate is significantly higher than that among other Australian children. Through CRIAH, the Sax Institute is able to work with the Aboriginal Community Controlled Health Service (ACCHS) in Western Sydney and *beyondblue: the national depression initiative* to evaluate an innovative program designed and led by the Aboriginal community. This will help health decision makers answer questions about effective mental health strategies.

The program, Rites of Passage, is designed to improve outcomes for children experiencing mental health problems by building their self-esteem, increasing their engagement with Aboriginal culture and helping them access appropriate health care. If successful, this initiative will provide a model for improving child mental health in ACCHSs across Australia, and give policy makers important information for the design of future mental health services.

Case Study



Building capacity among Aboriginal researchers

An NHMRC Research grant of more than \$2.3 million over five years (commencing in April 2007) has allowed researchers from the Sax Institute, the AH&MRC and various universities to build research capacity for interventions to improve Aboriginal Health. This grant is enabling early career researchers to grow their research experience through opportunities to work on major funded research programs in Aboriginal Health.

James Ward, an Aboriginal man of Nurrunga and Pitjantjara descent, is one of the grant beneficiaries. Previously he had extensive experience in public and sexual health in the Aboriginal community controlled health sector and mainstream health services, and worked as an advisor at the AH&MRC. James is working towards a Master of Public Health, and the NHMRC grant is enabling him to continue with his research into health care access for people with chronic diseases. James has also taken up a position as Head of the Aboriginal and Torres Strait Islander Health Program at the National Centre in HIV Epidemiology & Clinical Research, where he has been instrumental in leading the development of a new program aimed at improving sexual health and blood-borne virus health outcomes for Aboriginal people in Australia.

Improving health and hospital services

Around 10 percent of Australia's gross domestic product is spent on health care, and around 70 percent of NSW's health budget is spent on hospital care. Hospitals face many challenges, including an increased demand for services from an ageing population and increased community concerns about the quality and safety of care.

The *Final Report of the Special Commission of Inquiry into Acute Care Services in NSW Public Hospitals* ('the Garling Inquiry') recently highlighted the urgent need for better evidence about strategies for improving the quality of hospital care. Without high-quality research that responds to the priorities of hospital clinicians, managers and policy makers, Australian hospitals cannot deliver higher quality, more efficient and effective care.

The Hospital Alliance for Research Collaboration (HARC) is helping Australia's health decision makers access and generate research findings about health care. This collaborative network of over 7000 clinicians, managers, researchers and policy makers from across NSW was established by the Sax Institute in partnership with the Clinical Excellence Commission and the NSW Greater Metropolitan Clinical Taskforce (GMCT). HARC engages some of the best international thinkers in the health arena in discussions about new research findings and their application to NSW. New research partnerships that have resulted from HARC initiatives include studies that address overcrowded emergency departments, the role of clinical networks in improving quality, and the best ways of training new hospital doctors.

HARC Forum



Dr Diane Watson, International Visiting Health Services Research Fellow 2009, The Sax Institute



Quentin Dempster, ABC Television, and Keiran Pehm, Commissioner for Health Care Complaints (NSW)



Peter Garling SC

Our research partnership with the Sax Institute will provide an ongoing evidence base to improve the design and implementation of our clinical networks, thereby enabling us to improve the quality of health care

Dr Hunter Watt, CEO, Greater Metropolitan Clinical Taskforce

The Sax Institute contributes to the Centre for Health Record Linkage (CHeReL) – a powerful tool for linking health data from separate sources. In 2008–2009 the Sax Institute was also selected to lead a National Collaborative Research Infrastructure Strategy (NCRIS) node for developing secure ways to exchange, deliver and analyse large datasets. This analysis will help Australian health decision makers to better understand the operations of our health system.

Major achievements in 2008–2009

Building capacity through international expertise. This year the Sax Institute hosted its first International Visiting Health Services Research Fellow, Dr Diane Watson from Canada. Dr Watson, who has extensive experience with the Centre for Health Services and Policy Research at the University of British Columbia and at the Health Council of Canada, worked closely with the Clinical Excellence Commission and the University of Sydney to increase their ability to use and produce policy-relevant research.

Bringing together clinicians and researchers. The 4th HARC forum ‘Public confidence in the hospital system’ was conducted in Sydney and Newcastle. Over 150 senior policy makers, managers, clinicians and researchers gathered to consider how to improve public confidence in the hospital system, and to hear reflections from Peter Garling SC, author of the recent report on the inquiry into acute care services in NSW public hospitals.

Communicating research findings and knowledge to the health system. Over 7000 clinicians, managers and policy makers received four HARC eBulletins that provided an accessible round-up of the latest knowledge and important research findings relevant to Australian healthcare planning.

Platforms to evaluate clinical networks. The Sax Institute established a large-scale partnership with the GMCT, in order to evaluate ways that clinical networks can drive systemic health care improvements.

Building capacity for health services research. Working in partnership, the Sax Institute and the University of Western Sydney secured a National Health and Medical Research Council (NHMRC) Health Services Research Program grant of \$2.26 million over five years for the Outcomes, Services and Policy for the Reproductive and Early Years (OSPREY) program. OSPREY will build capacity amongst nine early career researchers to use linked data in research to improve health services for mothers, babies and children.

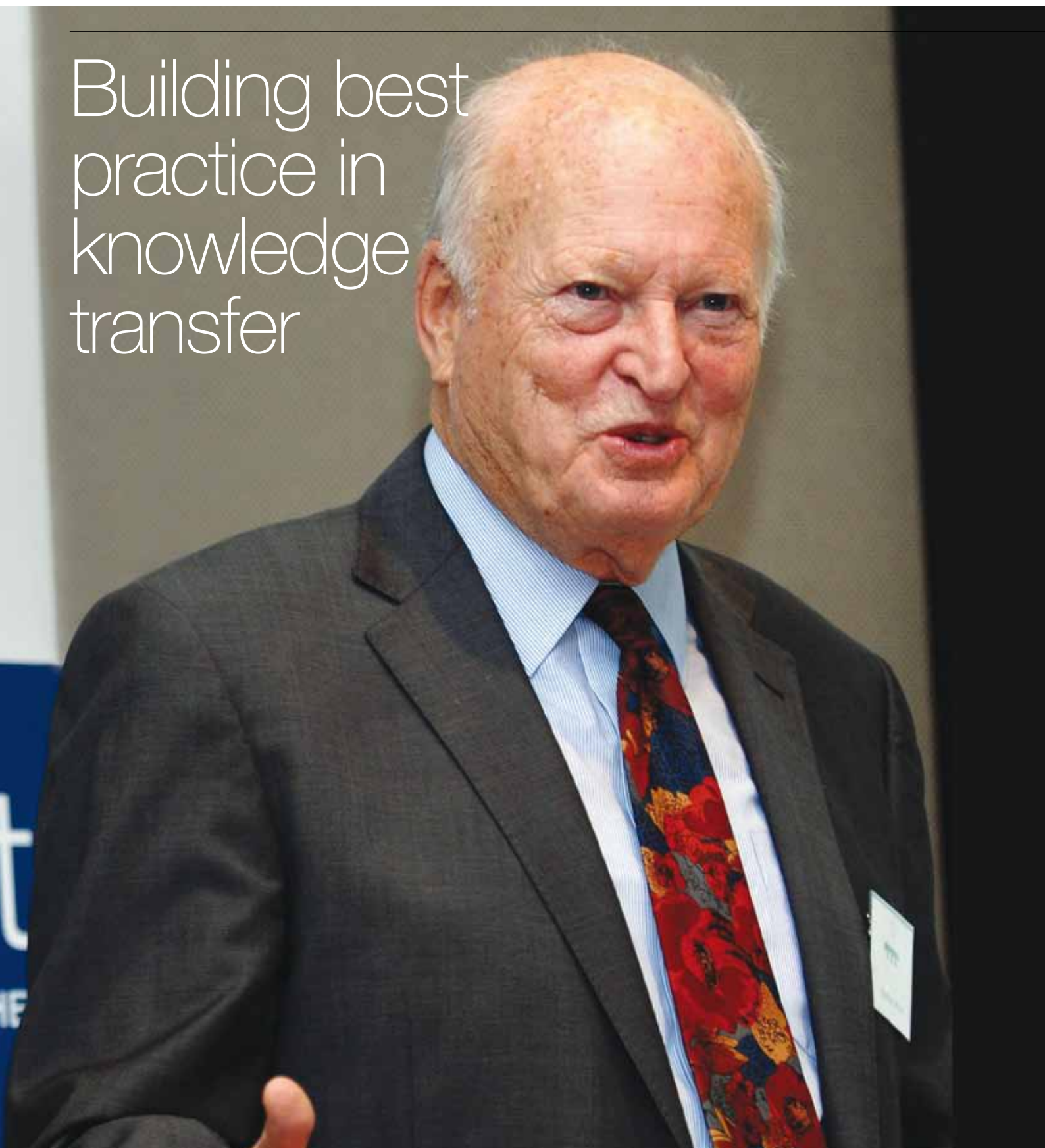
□ issue ↗ response

Case Study

Improving the quality of hospital care through clinical networks

In Australia one in every 10 patients experiences an adverse event in hospital. There is some evidence that clinicians on the front line can improve patient care by implementing new evidence-based approaches. Clinical networks can reduce adverse events by agreeing on the best treatments, improving communication between hospitals and clinicians and developing better information for patients. NSW has invested in clinical networks in recent years, and health decision makers now need answers to questions about how this initiative is improving patient care. A coalition of researchers from six institutions has been convened by the Sax Institute and is working with 20 clinical networks to examine their impact and how they can be most effective. The findings will guide decisions about the role of clinical networks in improving patient care – initially in NSW and later in Victoria, Queensland, South Australia and Western Australia. This will provide a framework for answering future questions about clinician-led change in the health system.

Building best practice in knowledge transfer



Developing strategies to enable the best use of research

While many attempts are being made in Australia and internationally to increase the use of evidence in policy making, the effectiveness of these strategies is yet to be fully evaluated. The Sax Institute is committed to understanding what works and establishing best practice models, so that its programs to enhance the use of research in policy can be improved.

The need to use evidence from research in policy is widely recognised as set out in the NSW State Plan:

We will use the best research evidence from across the world to drive health policy and practice in NSW.

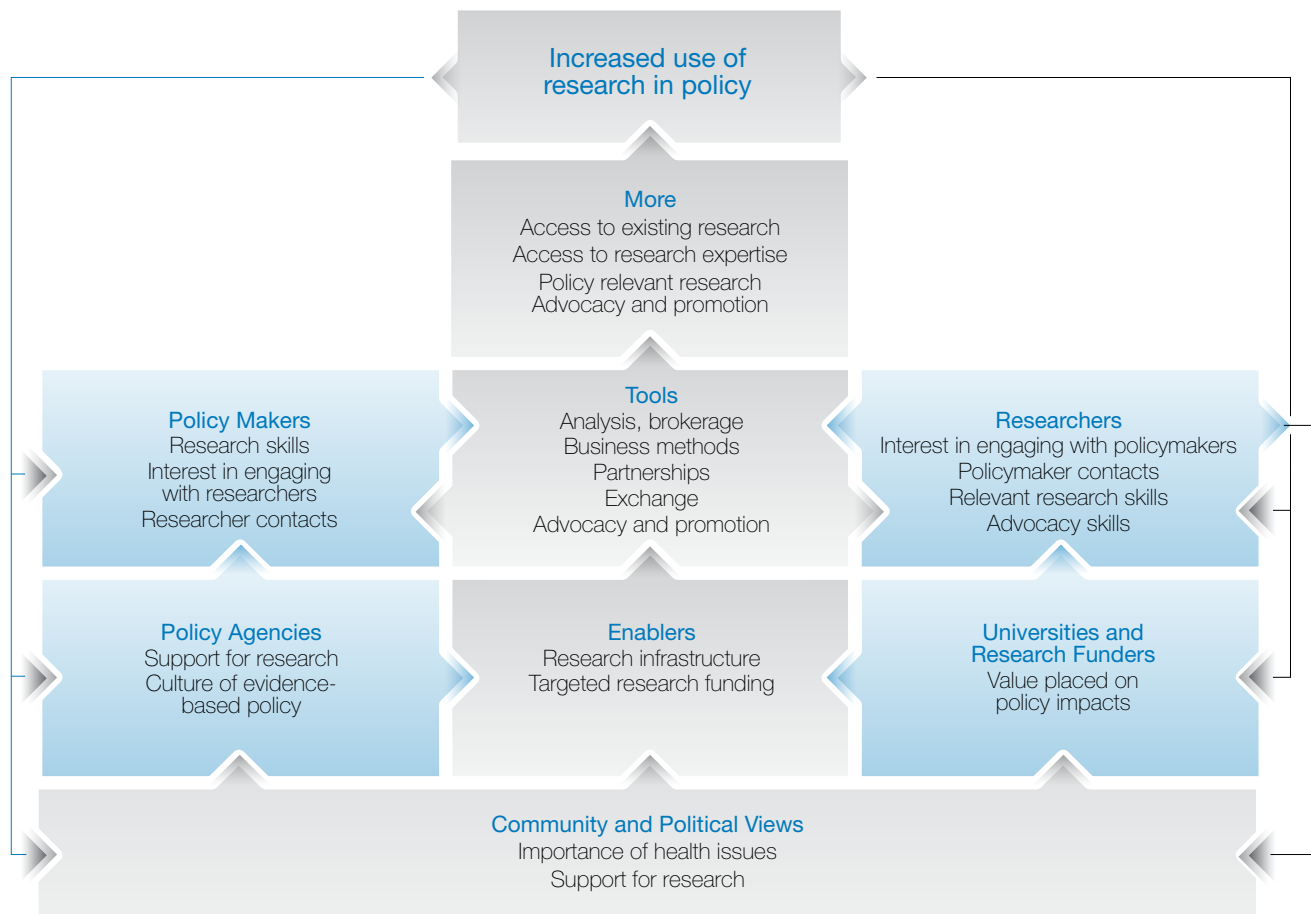
The Federal Government has also emphasised the importance of using research in setting policy. In an address to senior public servants in April 2008, Prime Minister Rudd said:

Policy design and policy evaluation should be driven by analysis of all the available options, and not by ideology. ... We're interested in facts, not fads.

Major achievements in 2008–2009

- The Sax Institute analysed the results of surveys of researchers and policy makers, to find out about current approaches to developing and using findings from research and what might work in the future.
- The *Evidence Check* program was peer-reviewed, and perceptions about its usefulness and the quality of the reviews were explored.
- The work of the Sax Institute was published and presented in national and international forums.

Influences on the use of research in policy



Redman S, Jorm L, Haines M. Increasing the use of research in health policy: the Sax Institute model. *Australasian Epidemiologist* 2008; 15(3):15-18. (Reproduced with the permission of the Australasian Epidemiological Association)

issue response

Case Study



What can be done to increase the use of research in policy making?

The Sax Institute surveyed researchers and policy makers and identified a number of barriers to using research in policy making. These include:

- Researchers feel that their efforts to engage with policy makers are not valued by their universities or by funding agencies
- Policy makers report that local agendas and time constraints can work against the use of research findings
- Policy makers say it is difficult to find reviews of research and expert researchers when they are needed.

At the same time, both policy makers and researchers agree that increasing the use of research in policy making is a high priority.

Case Study



What happens when health policy is not based on research?

We first knew that lemon juice could prevent scurvy among sailors in 1601.

The policy response: It took 250 years (until 1864) for the British Board of Trade to provide citrus for its sailors.

We first knew that there was an alarming increase in childhood obesity in the 1970s.

The policy response: In NSW action was initiated around 2002, but there is still no national approach to reducing childhood obesity.

We first knew that there was a relationship between asbestos and lung cancer in 1955.

The policy response: It took 20 years for asbestos to be banned in Australian manufacturing, and 40 years (until 2003) for its use to be banned completely.

Members and committees

Members

Public health and health service research groups and universities with relevant research programs can apply for membership of the Sax Institute. Organisations that are accepted nominate an individual to be the member of the Sax Institute.

In 2008–2009 the Sax Institute had 37 member organisations eligible to nominate members.

Research members

Australian Centre for Health Promotion

The University of Sydney

Centre for Clinical Epidemiology and Biostatistics

University of Newcastle

Centre for Clinical Governance Research in Health

The University of New South Wales

Centre for Evidence-Based Physiotherapy

The University of Sydney

Centre for Health Economics Research and Evaluation

University of Technology, Sydney

Centre for Health Research in Criminal Justice

Justice Health, NSW Health

Centre for Perinatal Health Services Research

The University of Sydney

Centre for Population Mental Health Research

The University of New South Wales

Centres for Primary Health Care and Equity

The University of New South Wales

Family Medicine Research Centre

The University of Sydney

The George Institute for International Health

The University of Sydney

Health Behaviour Sciences Research Collaborative

University of Newcastle

Health Services and Practice Research Centre

University of Technology, Sydney

The Menzies Centre for Health Policy

The University of Sydney and the Australian National University

National Centre for Immunisation Research and Surveillance of Vaccine Preventable Diseases

The University of Sydney

National Centre in HIV Epidemiology and Clinical Research

The University of New South Wales

National Centre in HIV Social Research

The University of New South Wales

National Drug and Alcohol Research Centre

The University of New South Wales

NSW Centre for Overweight and Obesity

The University of Sydney

Northern Rivers University Department of Rural Health

The University of Sydney

Research Centre for Gender, Health and Ageing

University of Newcastle

School of Medicine and Public Health

University of Newcastle

School of Public Health

The University of Sydney

School of Public Health and Community Medicine

The University of New South Wales

Simpson Centre for Health Service Research

The University of New South Wales

Social Policy Research Centre

The University of New South Wales

Surgical Outcomes Research Centre

The University of Sydney

Cancer Council NSW

University Members

The University of New South Wales

University of New England

University of Newcastle

The University of Sydney

University of Technology, Sydney

University of Western Sydney

University of Wollongong

Associate Members

National Perinatal Statistics Unit

The University of New South Wales

Centre for Health Services Research

The University of Sydney

Committees

Other important Sax Institute committees can be found at www.saxinstitute.org.au

The 45 and Up Study Management Committee

- Professor Sally Redman (Chair), Chief Executive Officer, the Sax Institute
- Professor Bruce Armstrong, Professor of Public Health and Medical Foundation Fellow, School of Public Health, The University of Sydney
- Professor Mark Harris, Executive Director, Centre for Primary Health Care and Equity, The University of New South Wales
- Dr Andrew Penman, Chief Executive Officer, Cancer Council NSW
- Philippa Smith, former Chief Executive Officer, The Association of Superannuation Funds of Australia Limited (ASFA)
- Sarah Thackway, Director, Centre for Epidemiology & Research, NSW Health

Coalition for Research to Improve Aboriginal Health Steering Committee

- Frank Vincent (Chair), Chief Executive Officer, Aboriginal Medical Service Western Sydney
- Professor Bruce Armstrong, Professor of Public Health and Medical Foundation Fellow, School of Public Health, The University of Sydney
- Sandra Bailey, Chief Executive Officer, Aboriginal Health and Medical Research Council
- Professor Alan Cass, Senior Director, The George Institute for International Health
- Elizabeth Harris, Director, Centre for Health Equity Training Research and Evaluation, The University of New South Wales
- Dr Jenny Hunt, Public Health Medical Officer, Aboriginal Health and Medical Research Council (joined March 2009)
- Professor Sally Redman, Chief Executive Officer, the Sax Institute
- Cathy Sinclair, Manager, Yerin Aboriginal Health Services
- Darryl Wright, Chief Executive Officer, Tharawal Aboriginal Corporation (joined March 2009)

Financial report

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Independent Audit Report to the members of the Sax Institute

Report on the concise financial report

The accompanying concise financial report of the Sax Institute comprises the balance sheet as at 30 June 2009, the income statement, statement of changes in equity and cash flow statement for the year then ended and related notes, derived from the audited financial report of the Sax Institute for the year ended 30 June 2009, as well as the discussion and analysis. The concise financial report does not contain all the disclosures required by Australian Accounting Standards.

Directors' responsibility for the concise financial report

The directors are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039: Concise Financial Reports (including Australian Accounting Interpretations), statutory and other requirements. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying the appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of the Sax Institute for the year ended 30 June 2009. Our audit report on the financial report for the year was signed on 3 September and was not subject to any modification. Australian 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 for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039: Concise Financial Reports and whether the discussion and analysis complies with the requirements laid down in AASB 1039.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of the Sax Institute on 3 September 2009, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's opinion

In our opinion, the concise financial report including the discussion and analysis of the Sax Institute for the year ended 30 June 2009 complies with Accounting Standard AASB 1039: Concise Financial Reports.



ECONOMOS

Chartered Accountants



George T VENARDOS

Registered Company Auditor
Registration No. 767

SYDNEY

3 September 2009

Directors' Report 30 June 2009

Your directors present their report on the company for the financial year ended 30 June 2009.

1. General information

a Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Appointed/Resigned
Irene Moss	23/08/2006
Kim Anderson	14/06/2006
Peter Smith	22/05/2006
Bruce Konrad Armstrong	14/01/2008
Sally Redman	25/09/2003
Michael John Hensley	25/09/2003
Christopher Maitland Paxton	23/11/2005
Glenn Philip Salkeld	25/01/2008
Michael Lambert	18/12/2006
Alan Cass	06/12/2006
Marion Ruth Haas	14/01/2008
Kerry Chant	06/11/2008

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

b Company Secretary

The following person held the position of company secretary at the end of the financial year: Marianne Mioduszewski (nee Karam) Bachelor of Business (Accounting), FCIS, FCPA. Ms Mioduszewski has 19 years of experience as a company secretary and was appointed Company Secretary of the Sax Institute on 24 August 2005.

c Principal Activities

The principal activities of the Sax Institute during the financial year were:

- Develop and undertake research in public health and health services
- Develop new research assets that enable internationally leading research
- Promote the use of research to impact on health policy and practice
- Consult and liaise with government bodies and groups nationally and internationally to promote, develop and foster health research.

There have been no significant changes in the nature of the Sax Institute's principal activities during the financial year.

Directors' Report 30 June 2009

2. Business review

a Operating Results

The deficit from ordinary activities amounted to \$(231,132) (2008 surplus: \$745,748).

b Review of operations

A review of the operations of the company during the financial year and the results of those operations show the diversity of funding sources continue as the company expands its partnerships with government, not-for-profit, university and private sectors. The funding sources include NSW Department of Health, The National Health and Medical Research Council through our University partners, Cancer Council NSW, the National Heart Foundation, *beyondblue*, the Department of Ageing, Disability and Home Care, Perpetual Trustees and Rio Tinto. The Sax Institute has 37 member organisations encompassing most of the public health and health service research groups and all of the universities with a public health or health service research program in NSW.

The Sax Institute's objectives include implementing systems to support the use of research evidence in policy for health; building capacity to generate new research evidence for policy in health; and contributing to global knowledge about best methods to increase the use of research evidence in policy. Three major programs are well established: the Research Asset Program; the Policy Impact Program; and the Research Capacity Program. Major projects include the 45 and Up Study (the health of older people); Aboriginal health research (including capacity building and environment on Aboriginal resilience and child health); National Collaborative Research Infrastructure Strategy (management of the NSW/ACT component of a national data linkage project which will provide computing and human infrastructure for the management and analysis of health datasets); Health Services Research (hospital-based research, costing studies and the use of large population databases). The Sax Institute works closely with government to increase the use of research in policy and practice.

3. Other items

a Significant Changes in State of Affairs

No significant changes in the Sax Institute's state of affairs occurred during the financial year.

b After balance day events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Sax Institute, the results of those operations or the state of affairs of the Sax Institute in future financial years.

c Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2009 has been received and can be found on page 36 of the financial report.

d Rounding of amounts

The company is an entity to which ASIC Class order 98/100 applies and, accordingly, amounts in the financial statements and directors' report have been rounded to the nearest dollar.

e Future Development

The entity expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operation.

f Environmental issues

The entity's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

g Dividends

The company, being limited by guarantee and a not-for-profit organisation, and in accordance with the Constitution, does not pay dividends to its members.

Dr Irene Moss

Chairperson

Qualifications

AO, Hon. LLD, BA, LLB, LLM

Experience

Formerly Commissioner, Independent Commission Against Corruption and NSW Ombudsman

Kim Anderson**Qualifications**

Grad Dip Library & Info Sc (UTS), BA (The University of Sydney)

Experience

CEO, The Reading Room

Professor Peter Smith**Qualifications**

RFD, MD, FRACP, FRCPA, FAICD

Experience

Dean of Medicine, The University of New South Wales

Professor Bruce Konrad Armstrong**Qualifications**

AM, FAA, B Med Sc (Hons), MBBS (Hons), D Phil (Oxon), FRACP, FAFPHM

Experience

Professor of Public Health, The University of Sydney. Member, 45 and Up Study Management Committee, The 45 and Up Study Scientific Advisory Committee and Coalition for Research to Improve Aboriginal Health (CRIA) Steering Group

Professor Sally Redman

Chief Executive Officer

Qualifications

BA (Psych), BA (Hons) (Psych), PhD

Experience

Chair, The 45 and Up Study Management Committee, Co Chair, Hospital Alliance for Research Collaboration Steering Committee, Member, The 45 and Up Study Community and Ethical Oversight Committee

Professor Michael John Hensley**Qualifications**

MBBS, PhD, FRACP, FAFPHM

Experience

Dean of Medicine, Faculty of Health, University of Newcastle

Christopher Maitland Paxton**Qualifications**

BA (Hons) in Economics (UK), MBA (UK)

Experience

Director, Crescendo Partners

Professor Glenn Philip Salkeld**Qualifications**

B.Bus, Grad Dip Health Economics, MPH, PhD

Experience

Head and Associate Dean, School of Public Health, The University of Sydney

Michael Lambert**Qualifications**

B.Ec, M.Ec

Experience

Consultant to Royal Bank of Scotland and independent director of various commercial and not-for-profit organisations

Special responsibilities

Chairperson, Audit and Risk Management Committee

Professor Alan Cass**Qualifications**

BA, MBBS, Grad Dip Clinical Epidemiology, FRACP, PhD

Experience

Senior Director, The George Institute for International Health. Co-Director, The Poche Centre for Indigenous Health, University of Sydney. Chief Investigator, Kanyini Vascular Collaboration. Member Study of Environment on Aboriginal Resilience and Child Health Steering Committee and Coalition for Research to Improve Aboriginal Health (CRIA) Steering Group

Associate Professor**Marion Ruth Haas****Qualifications**

BPhy (Qld), MPH, PhD (Syd)

Experience

Associate Professor of Health Services Research, Deputy Director of the Centre for Health Economic Research and Evaluation

Dr Kerry Chant**Qualifications**

MBBS, FAFPHM, MHA, MPH

Experience

Deputy Director-General, Population Health and Chief Health Officer

Directors' Report 30 June 2009**b Meetings of Directors**

During the financial year, four meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Audit Committee Meetings	
	Eligible to attend	Number attended	Eligible to attend	Number attended
Irene Moss	4	4	1	1
Kim Anderson	4	4	-	-
Peter Smith	4	3	4	2
Bruce Konrad Armstrong	4	4	-	-
Sally Redman	4	4	4	4
Michael John Hensley	4	4	-	-
Christopher Maitland Paxton	4	3	-	-
Glenn Philip Salkeld	4	3	-	-
Michael Lambert	4	4	4	4
Alan Cass	4	3	-	-
Marion Ruth Haas	4	4	-	-
Kerry Chant	4	2	-	-
Cameron Johnstone	-	-	4	3

5. Indemnifying Officers or Auditors

No indemnities have been given or insurance premiums paid since the end of the financial year, for any person who is or has been an officer or auditor of the entity.

6. Proceedings on Behalf of the Entity

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

The entity was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Board of Directors:



Irene Moss
Director

3 September 2009

Discussions and Analysis of the Financial Statements 30 June 2009

Information on The Sax Institute Concise Financial Report

The concise financial report is an extract from the full financial report for the year ended 30 June 2009. The financial statements and disclosures in the concise financial report have been derived from the 2009 Financial Report of the Sax Institute.

A copy of the full financial report and auditors' report will be sent to any member, free of charge, upon request.

The discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on the Sax Institute's financial statements, and the information contained in the concise financial report has been derived from the full 2009 Financial Report of the Sax Institute.

Income Statement

This was the eighth full year of operations for the Sax Institute. Revenue decreased by \$788,067, which was mainly due to our inability to recognise some revenue due to timing delays and resulting in deferment of those revenues to the balance sheet. A new program of work has commenced for the National Collaborative Research Infrastructure Strategy which is the management of the NSW/ACT component of a national data linkage project. This project will provide computing and human infrastructure for the management and analysis of health datasets. This delay in this project resulted in the deferment of those revenues. Major research assets and programs are well established including studies into the health of older people (The 45 and Up Study), now in its third year of operation, and the Study of Environment on Aboriginal Resilience in Child Health, now in its fourth year of operation.

A number of new staff were employed to implement new and expanding programs. Accordingly, the operating expenses of the company increased by \$193,495. The operating expenses were impacted by the increased number of staff and an increase in research program expenses as a result of new research studies.

The deficit for the year totalled \$231,132 as compared to a surplus of \$745,748 in the prior year.

Balance Sheet

Total assets increased by \$166,692 to \$4,167,863 which represented an increase of 4.2% from 2008. This increase was mainly attributable to the following:

- Cash and cash equivalents decreased from \$1,233,339 to \$291,770. This was a result of an increase in investing activities resulting in an increase in financial assets.

Due to expanding operations of the Sax Institute total liabilities increased by \$397,824.

The equity of the company decreased by \$231,132. This was due to the deficit from ordinary activities.

Statement of Changes In Equity

The equity of the company decreased by \$231,132. This was due to the deficit from ordinary activities.

Statement of Cash Flows

Due to the expanding operations of the Sax Institute and increased activity, the company experienced a decrease in operating cash flows of \$525,708 in receipts from customers and contributions. Payments to suppliers and employees increased by \$184,807 mainly as a result of the increased number of staff and more research-related costs. The overall decrease in net cash flows provided by operating activities was \$717,074.

Net cash flows used in investing activities increased by \$1,218,099 mainly as a result of more funds being invested in T-corp which has resulted in the reduction of cash and cash equivalents by \$941,074.

Income Statement For the Year Ended 30 June 2009

	Note	2009 \$	2008 \$
Funding revenue	2	4,737,416	5,525,483
T-Corp distributions		131,606	126,924
Cost of funding		(1,524,035)	(1,429,314)
Employee benefits expense		(2,736,553)	(2,660,007)
Depreciation, amortisation and impairments		(39,727)	(46,720)
Administration costs		(371,782)	(372,456)
Other expenses		(428,057)	(398,162)
(Deficit)/Surplus		(231,132)	745,748
(Deficit)/Surplus attributable to members		(231,132)	745,748

Balance Sheet 30 June 2009

	Note	2009 \$	2008 \$
ASSETS			
Current assets			
Cash and cash equivalents		291,770	1,233,339
Trade and other receivables		459,628	640,538
Financial assets		3,276,663	1,982,239
Total current assets		4,028,061	3,856,116
Non-current assets			
Plant and equipment		55,713	67,010
Other non-current assets		84,089	78,045
Total non-current assets		139,802	145,055
TOTAL ASSETS		4,167,863	4,001,171
LIABILITIES			
Current liabilities			
Trade and other payables		1,847,129	1,478,732
Financial liabilities (short-term)		192	687
Short-term provisions		110,482	85,658
Total current liabilities		1,957,803	1,565,077
Non-current liabilities			
Other long-term provisions		27,183	22,085
Total non-current liabilities		27,183	22,085
TOTAL LIABILITIES		1,984,986	1,587,162
NET ASSETS		2,182,877	2,414,009
EQUITY			
Retained earnings		2,182,877	2,414,009
TOTAL EQUITY		2,182,877	2,414,009

Statement of Recognition of Income & Expenditure For the Year Ended 30 June 2009

2009	Retained Earnings \$	Total \$
Balance at 1 July 2008	2,414,009	2,414,009
Deficit attributable to members	(231,132)	(231,132)
Balance at 30 June 2009	2,182,877	2,182,877

2008	Retained Earnings \$	Total \$
Balance at 1 July 2007	1,668,261	1,668,261
Surplus attributable to members	745,748	745,748
Balance at 30 June 2008	2,414,009	2,414,009

Cash Flow Statement For the Year Ended 30 June 2009

	Note	2009 \$	2008 \$
Cash from operating activities:			
Grants and donations received		5,179,752	5,705,460
Payments to suppliers and employees		(4,944,998)	(4,760,191)
Interest received		14,987	21,546
Net cash provided by operating activities		249,741	966,815
Cash flows from investing activities:			
Payments for available-for-sale assets		(4,573,385)	(2,070,000)
Proceeds from available-for-sale assets		3,411,000	2,150,000
Acquisition of property, plant and equipment		(28,430)	(52,716)
Net cash (used in) provided by investing activities		(1,190,815)	27,284
Net (decrease) increase in cash held		(941,074)	994,099
Cash at beginning of financial year		1,232,652	238,553
Cash at end of financial year		291,578	1,232,652

Notes to the Concise Financial Statements For the Year Ended 30 June 2009

1 Basis of Preparation of the Concise Financial Report

The concise financial report is an extract from the full financial report for the year ended 30 June 2009. The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports, and the Corporations Act 2001.

The financial statements, specific disclosures and other information included in the concise financial report are derived from, and are consistent with, the full financial report of the Sax Institute. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of the Sax Institute as the full financial report. A copy of the full financial report and auditor's report will be sent to any member, free of charge, upon request.

The financial report of the Sax Institute complies with all Australian equivalents to the International Financial Reporting Standards (AIFRS) in their entirety. The presentation currency in this concise financial report is Australian Dollars.

The Sax Institute has applied for relief available to it under ASIC Class Order 98/100, and accordingly amounts in this concise financial report have been rounded to the nearest dollar.

2 Revenue

Operating revenue	2009	2008
	\$	\$
Interest received	14,987	21,546
Funding revenue	4,433,815	5,098,935
Donations	150,000	175,554
Conferences and training	23,545	199,587
Sitting fees	22,652	23,972
Consultancy fees	66,502	-
Other revenue	25,915	5,889
Total revenue	4,737,416	5,525,483

3 Dividends

The company's constitution prohibits the payment of a dividend.

4 Segment Reporting

The company's activities are to foster and conduct health research throughout NSW.

5 Economic Dependence

The NSW Department of Health provides the majority of the funding to the company. As all funding is provided on a cash basis annually, it is anticipated that adequate funding will be provided to enable the company to pay its debts as and when they fall due. A new funding agreement for \$1,841,400 per annum has been signed on 1 July 2008 and is in effect until 30 June 2013.

6 Events Subsequent to Reporting Date

No matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Directors' Declaration

The directors of the company declare that the concise financial report of the Sax Institute for the financial year ended 30 June 2009, as set out on pages 31–36:

- (a) complies with Accounting Standard AASB 1039: Concise Financial Reports; and
- (b) is an extract from the full financial report for the year ended 30 June 2009 and has been derived from and is consistent with the full financial report of the Sax Institute.

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



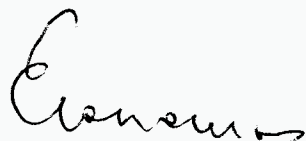
Irene Moss
Director

3 September 2009

Auditors Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief during the year ended 30 June 2009 there have been:

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



ECONOMOS
Chartered Accountants



George T VENARDOS
Registered Company Auditor
Registration No. 767

3 September 2009
SYDNEY

The Sax Institute
Level 8, Building 10
235 Jones Street
Ultimo NSW 2007 Australia

PO Box 123
Broadway NSW 2007 Australia

T +61 2 9514 5950

F +61 2 9514 5951

E director@.saxinstitute.org.au

W www.saxinstitute.org.au

