

saxinstitute



Annual Report 2010–11

Driving change, improving health



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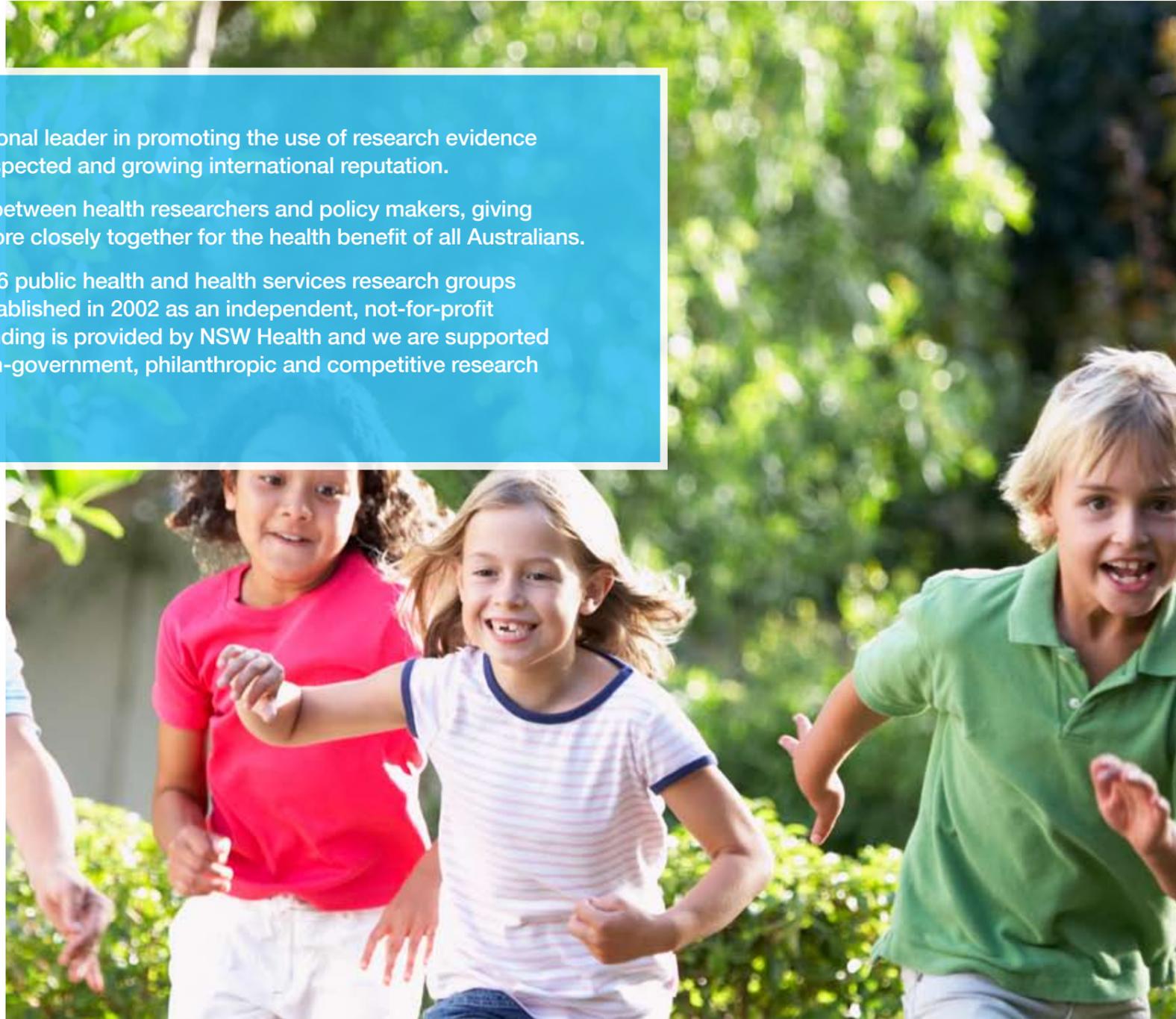
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Driving Change, Improving Health

The Sax Institute is a national leader in promoting the use of research evidence in health policy, with a respected and growing international reputation.

We aim to be the bridge between health researchers and policy makers, giving each the tools to work more closely together for the health benefit of all Australians.

Our membership spans 36 public health and health services research groups and their universities. Established in 2002 as an independent, not-for-profit organisation, our core funding is provided by NSW Health and we are supported by other government, non-government, philanthropic and competitive research funding agencies.



Our mission:

To improve health, health services and programs by increasing the use of research in policy making. We want to achieve wiser decisions for a healthier Australia.

Our objectives:

To improve policy makers' access to existing research; to generate new research for use in policy; and to develop and test innovative ways to increase the use of research evidence in policy making.

Fulfilling our mission

There are many examples of our work making an important contribution to policy development over the past three years, and during that time we have shared our expertise with 30 policy agencies in NSW and further afield.

Our flagship programs

The 45 and Up Study involves more than a quarter of a million Australians. This ongoing study is contributing important new knowledge in areas such as obesity, mental health and prescribed drugs.

SEARCH is a study involving nearly 1700 children and 700 families, and is providing valuable new information on the health, hearing and speech development of urban Aboriginal children.

The Evidence Check program allows health policy makers to commission rapid, targeted reviews of research to assist them in making policy decisions.

The Population Health Research Network (PHRN) is building infrastructure to support the secure and efficient use of linked data for large-scale research that will inform improvements to health services and health policies.

The Centre for Informing Policy in Health with Evidence from Research (CIPHER) will investigate the tools, skills and systems that will lead to increased research use in policy.

Chair's Report

The demands of Australia's ageing population will see an increasing need for health services and programs to be more efficient and effective. This means that the use of research to inform decisions is more important than ever.

In the words of the Australian Productivity Commission: "It is as important that we have a rigorous evidence-based approach to public policy in Australia today as at any time in our history ... The good news is that there is plenty of scope for improvement".

The Sax Institute's work is yielding significant benefits for policy and research capacity. In the past three years we have leveraged \$24.5 million, contributed to the training of 62 new early career researchers, facilitated 33 collaborative research projects, and had nearly 90 reviews commissioned as part of our Evidence Check program.

There is good evidence that much of this work has had a direct impact on policy. In recognition of these achievements, we were honoured that Her Excellency Ms Quentin Bryce AC, Governor-General of the Commonwealth of Australia, agreed to be our Patron and hosted a wonderful celebratory event at Admiralty House, Sydney.

Dr Irene Moss AO, Chair



This year saw some of our key initiatives come to fruition. I am very pleased to report that there are now more than 100 applications to use the data from the 45 and Up Study, illustrating the value of this resource for research. The data are already making an impact on policy – for example, the Housing and Independent Living (HAIL) program has improved our understanding of housing needs as people age. There are many other examples of the 45 and Up Study stimulating collaboration, such as that fostered by the Cardiovascular Research Network involving over 30 researchers.

Our work with the Aboriginal Health and Medical Research Council also yielded important outcomes this year, with a very successful conference that showcased some of the excellent research being undertaken in partnership with Aboriginal communities. I'm pleased to report that data from the SEARCH cohort of urban Aboriginal children are being used to inform the work of NSW Health, the Department of Education, Employment and Workforce Relations and *beyondblue: the national depression initiative*.

I would like to thank NSW Health for its support of the Institute. Thanks also to our member organisations; to the Australian and international researchers working in and with our programs and activities; and to those policy agencies who support our goals, not only by using our services but by their committed input and feedback, which helps us grow and improve.

Thanks must also go to the Board of Directors who so freely and generously give of their time and offer such valuable input. On behalf of the Board I'd particularly like to commend the Sax Institute management team, led by our CEO Professor Sally Redman, whose passion and commitment continues to drive our success. I look forward with confidence to our continuing contribution to better health for all Australians.

A handwritten signature in blue ink that reads "Irene Moss".

The Year in Review



The Governor-General greets guests at the Admiralty House cocktail reception

The Sax Institute's patron is Her Excellency Ms Quentin Bryce AC, Governor-General of the Commonwealth of Australia. The Institute was honoured with a cocktail reception hosted by the Governor-General at Admiralty House on 14 October 2010 to celebrate our achievements. Leaders from the health policy, academic and research communities came together to celebrate the Institute's important ongoing role in improving the health of Australians.

High points during 2010–2011 were:

The Coalition for Research to Improve Aboriginal Health conference

More than 300 people from Aboriginal Medical Services, universities, the health sector and government attended the third CRIAH conference. This event outlined many exciting research projects of significance to Aboriginal health policy.

CIPHER funding and launch

The Centre for Informing Policy in Health with Evidence for Research is a major new initiative launched during the year that will see policy agencies and leading researchers develop and test new tools, skills and systems that will contribute to an increased use of research evidence in policy.

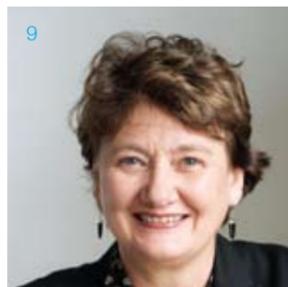
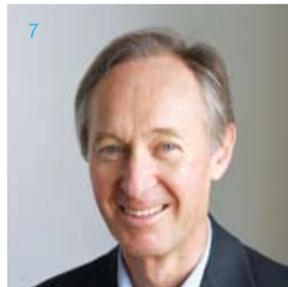
The 45 and Up Study

Australia's largest study into ageing has more than 265,000 participants who are providing us with large amounts of information about their health. Requests from researchers to use this rich information source have continued to increase. Nearly \$13 million in grants has been earned by researchers to undertake research using the study.

The Secure Unified Research Environment project

We developed SURE, a highly secure, remote-access, data-analysis facility designed specifically for research using linked health data. SURE is part of the national Population Health Research Network and due to 'go live' later in 2011. It is an innovative solution to managing potential risks to privacy, while still ensuring that researchers have access to the data, tools and computing resources they need.

Board of Directors



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. Professor Bruce Armstrong AM is an international leader in cancer research and in 2006 received the inaugural New South Wales Premier's Award for Outstanding 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.

3. Professor Alan Cass is Senior Director at The George Institute for International Health. He is an academic physician with a particular interest in clinical and health services research, and a recognised expert in collaborative research to improve Aboriginal health.

4. Dr Kerry Chant is a public health physician and 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 Indigenous health.

5. Associate Professor Marion Haas (until 16 September 2010) is a Deputy Director of the Centre for Health Economics Research and Evaluation, and Associate Professor of Health Services Research at the University of Technology, Sydney. She has a PhD in public health and more than 15 years experience in health economics, health services and health policy research. Associate Professor Haas is a member of the UTS Human Research Ethics Committee.

6. 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 at 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 more than 30 years experience across medical education, medical research and clinical practice.

7. Mr Michael Lambert is a consultant with the Royal Bank of Scotland with extensive experience in strategy, corporate advisory and mergers and acquisitions. He possesses extensive experience and knowledge in the health sector and sits on commercial and not-for-profit organisation boards. He is a former Secretary of NSW Treasury.

8. Mr Christopher Paxton is a Director of Pacific Strategy Partners. He has more than 15 years experience working on corporate and business strategy, acquisitions and restructuring with leading companies in Australia, Europe, the USA and Asia. Previously he was Managing Director of Crescendo Partners and a Vice President at A.T. Kearney.

9. Professor Sally Redman (ex officio) is Chief Executive Officer 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 Professor Redman was inaugural Director of the National Breast Cancer Centre.

10. Professor Glenn Salkeld is Head and Associate Dean, School of Public Health, The University of Sydney. He has extensive research and teaching experience in the field of health economics and has been a member of a number of key Commonwealth committees, including the Pharmaceutical Benefits Advisory Committee and the National Bowel Cancer Screening Committee.

11. Professor Peter Smith is Dean of the Faculty of Medicine, University of New South Wales. He has held senior academic and clinical leadership positions in Brisbane, Melbourne and Auckland. He is currently a Director of St Vincent's Health Australia and chairs the Board's Safety and Quality Committee. He is also a Director of the Garvan Institute for Medical Research, Neuroscience Research Australia and the Ingham Institute for Applied Medical Research.

The membership of the Institute's **Audit and Risk Management Committee** is Mr Michael Lambert (Chair), Mr Christopher Paxton and Mr Cameron Johnstone, Partner, Weston Woodley Robertson Chartered Accountants & Consultants.

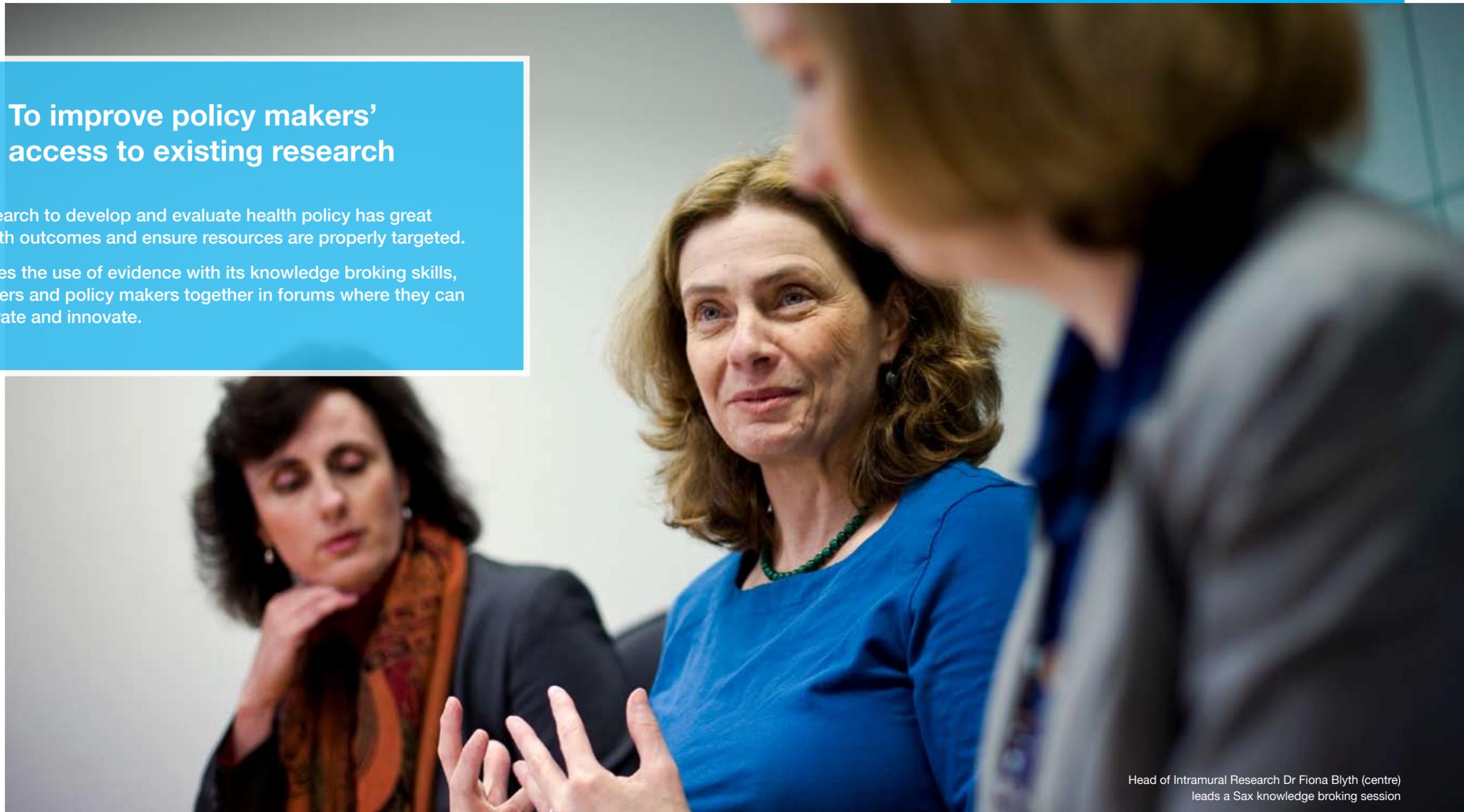


Building Bridges, Opening Doors

Objective: To improve policy makers' access to existing research

Using evidence from research to develop and evaluate health policy has great potential to improve health outcomes and ensure resources are properly targeted.

The Sax Institute promotes the use of evidence with its knowledge broking skills, and by bringing researchers and policy makers together in forums where they can exchange ideas, collaborate and innovate.



Head of Intramural Research Dr Fiona Blyth (centre) leads a Sax knowledge broking session

What we achieved in 2010–2011

We opened doors for policy makers and other organisations looking for research evidence to guide their work

Our Evidence Check program, which has attracted international interest, examines existing research for policy makers on a topic of importance to them. A recent review found that policy makers valued the program and felt it assisted their decision-making. Independent peer review indicates our Evidence Check reviews are high-quality, accurate reflections of existing evidence.

Nearly 90 Evidence Check reviews have been commissioned since the program began in 2006, with 14 commissioned in the past year. Twenty-four new agencies have used our brokerage services over the past three years, and reviews have recently been used to answer significant policy questions such as:

Can interactive electronic media help reduce obesity in young people?

This review found there was evidence to support the use of electronic media in health promotion and weight reduction strategies for overweight and obese adolescents. Electronic media interventions were associated with higher physical activity levels, reduced dietary fat intake and healthier food choices. The review's recommendations on how to adapt these interventions allowed the NSW Department of Health to take a more considered approach to, and better target, electronic information strategies in obesity prevention programs being developed for 13- to 18-year-olds. It was conducted by Kelly Kornman and colleagues at The University of Sydney clinical school within The Children's Hospital at Westmead.

How can technology help to train healthcare staff?

Using technology can be as effective as face-to-face education in achieving learning outcomes, according to the results of this review, commissioned by NSW Health. The review, conducted by Associate Professor Tim Shaw and colleagues from the Workforce Education Development Group at The University of Sydney faculty of medicine, made a series of recommendations about videoconferencing training programs and complementary Internet-based education methods. Its findings have already been used in the establishment of nursing grand rounds, delivered across 17 sites using tele-technology, and continue to be used by the NSW Telehealth Steering Committee.

How can we measure the physical activity of children?

The Australian Health Ministers Advisory Council (AHMAC) used this review to consider the best opportunities to monitor how different jurisdictions perform in relation to physical activity promotion and participation in people aged 5-17 years. The measurement of child physical activity has significant implications for reward payments to jurisdictions that achieve targets to increase children's physical activity at a population level.

The Evidence Check was commissioned by NSW Health to examine how to: identify the best available baseline measure of child physical activity; map the information currently collected; and advise on how jurisdictions could measure child physical activity in future reporting under the National Partnership Agreement on Preventive Health. The review concluded that the partnership agreement targets were not measurable with currently collected data, and a second review was commissioned. This new review outlined the steps required to achieve nationally comparable information. The reviews were carried out by Professor Adrian Bauman and colleagues from The University of Sydney, Deakin University and the University of Wollongong in consultation with policy makers from jurisdictions including NSW and the Commonwealth.



Measuring physical activity in children was one of many Evidence Check reviews conducted during the year

Does public reporting of health system performance improve care?

Public reporting *can* result in improved health outcomes, according to this review, which was conducted by Dr Jack Chen from the Simpson Centre for Health Services Research at The University of New South Wales. It has been used by the Bureau of Health Information in targeted communication strategies for government, hospitals and consumers.

“*The review was brilliantly executed by the Sax in terms of being timely, thorough, and targeted. We were really happy with the work and have since used it very extensively*”

– Dr Diane Watson, Chief Executive, Bureau of Health Information

We informed policy agencies about relevant new research findings

Our quarterly [PulsE eBulletin](#), which summarises newly published systematic research reviews, is read by nearly 500 healthcare decision makers. The bulletin has generated international interest, with nearly 20% of our audience in countries such as the USA, UK, Canada and Spain. In 2010–2011 our subscribers increased by 50%, and the most recent review of the PulsE eBulletin found that readers considered it useful and relevant to their work.

We also bring the best evidence to the 7000 clinicians, managers and policy makers in the HARC Network via the quarterly [HARC eBulletin](#).

HARC (Hospital Alliance for Research Collaboration) links clinicians, researchers, health service managers and policy makers so they can share knowledge and ideas about emerging challenges, new research, and reform priorities for health systems in NSW and across Australia. It was established by the Sax Institute in partnership with the Clinical Excellence Commission and the Agency for Clinical Innovation.

In the past year the HARC eBulletin has covered such hot button issues as reducing hospital-acquired infections, reducing cost without compromising quality, and concerns around the evidence base underpinning the design and implementation of electronic health records.

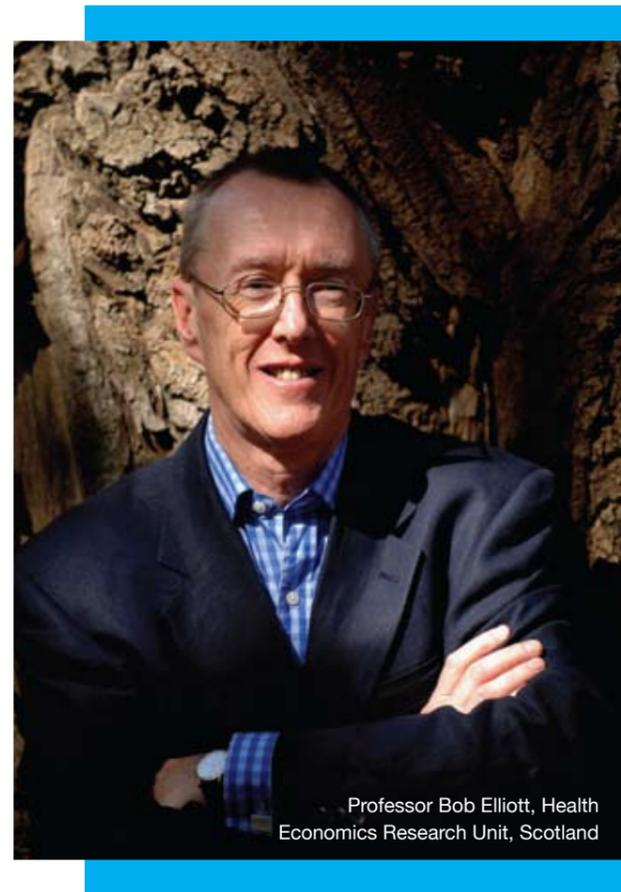
We assisted policy makers in commissioning more useful research

Each year billions of dollars are invested in programs to improve health, social welfare, education and justice. But we know little about the effects of these programs.

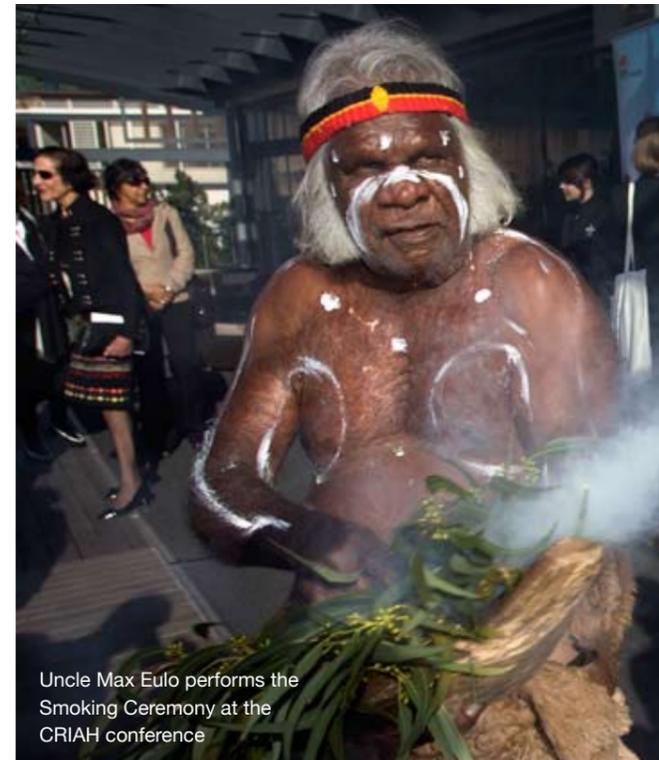
In response to this need for knowledge the Sax Institute developed [Evidence Make](#), a new service for policy

makers wanting to conduct evaluations of their policies and programs. Evidence Make provides expert advice and guidance in the lead-up to commissioning an evaluation.

This service was used by several groups during the year, including NSW Treasury, which approached us to appraise, improve and finalise draft tender documents for the evaluation of a state-wide program to improve the quality of care and life of people with chronic disease. Following the Evidence Make process, the NSW Health Chronic Disease Management Office commissioned a research team to undertake the evaluation.



Professor Bob Elliott, Health Economics Research Unit, Scotland



Uncle Max Eulo performs the Smoking Ceremony at the CRIAH conference

Promoting exchange: research for a better future

The Coalition for Research to Improve Aboriginal Health (CRIAH) is a partnership between the Sax Institute and the Aboriginal Health and Medical Research Council of NSW (AH&MRC). This year we jointly hosted the third CRIAH Aboriginal Health Research Conference with the theme *Research for a Better Future*.

More than 300 people from Aboriginal Community Controlled Health Services, universities, the health sector and government attended the conference, which outlined many exciting research projects of significance to Aboriginal health policy. It also demonstrated the effective partnerships currently underway between researchers, Aboriginal health services and other policy makers.

“It showed me how a movement is emerging which builds community participation into research ... So many others could learn from what you are doing.”

– Professor Ezra Susser, Professor of Epidemiology and Psychiatry, Mailman School of Public Health, Columbia University (keynote speaker)

We brought together policy makers, researchers and those who deliver health services to exchange knowledge and ideas on important issues

In October 2010, at the request of NSW Health, we hosted a [mini-exchange](#) to discuss a question at the forefront of health policy debate in Australia: are health promotion interventions cost-effective?

This one-day exchange was led by Professor Theo Vos from The University of Queensland school of population health, and Professor Rob Carter from Deakin University school of health and social development. It brought

together 100 researchers and policy makers to discuss and learn from the ACE-Prevention Study. Professors Vos and Carter are leading this study, which is the largest and most rigorous evaluation of preventive strategies undertaken anywhere in the world.

Other mini-exchanges held during 2010–2011 also featured outstanding speakers. Professor Bob Elliott, Director of the Health Economics Research Unit at the University of Aberdeen (pictured, left), was guest speaker at a session on the UK’s National Health Service experience of workforce reform. Professor Penny Hawe, an international expert in intervention research from the University of Calgary, facilitated a workshop on increasing the integration of research into health policy.

Creating New Knowledge

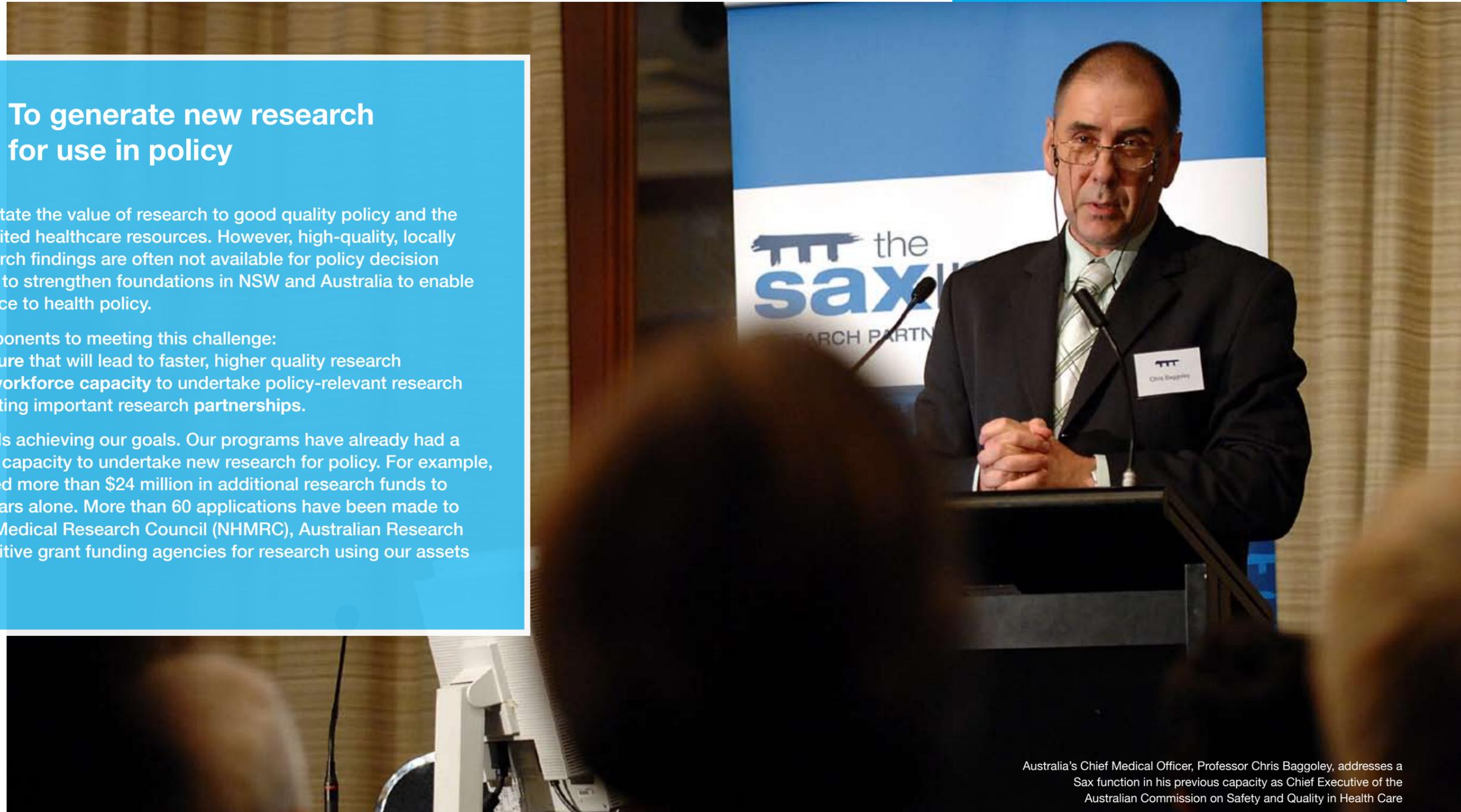
Objective: To generate new research for use in policy

It would be hard to overstate the value of research to good quality policy and the effective allocation of limited healthcare resources. However, high-quality, locally relevant and timely research findings are often not available for policy decision making. Our challenge is to strengthen foundations in NSW and Australia to enable more research of relevance to health policy.

There are three key components to meeting this challenge:

1. Building infrastructure that will lead to faster, higher quality research
2. Strengthening the workforce capacity to undertake policy-relevant research
3. Leading and facilitating important research partnerships.

We are some way towards achieving our goals. Our programs have already had a significant impact on the capacity to undertake new research for policy. For example, the Institute has leveraged more than \$24 million in additional research funds to NSW in the past three years alone. More than 60 applications have been made to the National Health and Medical Research Council (NHMRC), Australian Research Council, or other competitive grant funding agencies for research using our assets and capabilities.



Australia's Chief Medical Officer, Professor Chris Baggoley, addresses a Sax function in his previous capacity as Chief Executive of the Australian Commission on Safety and Quality in Health Care

What we achieved in 2010–2011

1. Infrastructure

We continued building infrastructure that will lead to faster and higher quality research

Our infrastructure is helping researchers undertake the highest quality research and deliver findings of immediate interest to policy agencies. Our three core building blocks in research infrastructure are the [45 and Up Study](#), the Study of Environment on Aboriginal Resilience and Child Health ([SEARCH](#)) and the Population Health Research Network ([PHRN](#)).

The 45 and Up Study

The 45 and Up Study is the largest longitudinal cohort study in the Southern Hemisphere. More than 265,000 people aged 45 and over – one in every 10 people in this age group in NSW – have been recruited. They have provided information about their health and lifestyle, family history and social circumstances, and this is being linked to medical records so that use of healthcare services and medications can be determined.

The study is a collaborative resource managed by the Sax Institute and is available to researchers across NSW and beyond. It is now 18 months since recruitment of participants was finalised, and during 2010–2011 there was a rapid increase in researchers' use of this rich information resource. Overall, the Institute has received 109 applications from researchers to use 45 and Up Study data. Nearly \$13 million in grants has been awarded to researchers from a range of funding organisations to undertake research using the study.

This large-scale project enables world-class research and is already contributing important new knowledge in areas such as the connection between breastfeeding and reduced risk of diabetes, links between obesity and sleep, causes of early retirement, and opportunities for disease prevention.

During the year, several initiatives were put in place to boost the value of the 45 and Up resource:

Long-term follow up

More than 61,000 participants were resurveyed to provide extra information on the social and economic factors that influence health. Over time, this kind of follow-up allows researchers to explore in greater depth, the factors that predict better and poorer health. Next year, we will begin the first five-year follow up of participants and have already consulted widely with researchers and research users about the information we will collect. *cont'd p18 >*



Director of the Murdoch Childrens Research Institute and keynote speaker Professor Terry Dwyer shares his views at the 45 and Up Study collaborators' meeting

Mining a rich resource

More than 60% of Australians are either overweight or obese, and data from the 45 and Up Study are providing important new insights into this key challenge being faced by countries around the world. Using data from the study, researchers from the Sax Institute, Australian National University, University of Western Sydney and University of Sydney found that sedentary time is as important as purposeful physical activity in influencing obesity.

People with eight or more hours of TV or computer screen time per day have twice the risk of obesity compared with those who have minimal screen time. The same relationship was observed even in people with high levels of leisure time physical activity.

Preliminary data indicate that people with high screen time are also at an increased risk of death compared with people who have low screen time. These findings suggest public health campaigns to reduce obesity through physical activity will only be effective if they consider sedentary time, as well as leisure time physical activity.

Other findings to emerge from the 45 and Up Study so far include:

- Current smokers are more than twice as likely to experience complete tooth loss than those who have never smoked, researchers from The University of Sydney, Australian National University and the Sax Institute found
- Long working hours are associated with increased obesity, and lack of sleep could play a role, according to researchers from the University of Wollongong
- Older people significantly overestimate the safety of their homes. The Housing and Independent



Living (HAIL) project, conducted by The University of Newcastle with the Sax Institute and The University of Sydney, involved visits to the homes and neighbourhoods of more than 200 participants in the 45 and Up Study aged 75–79. In the future, the ability of older Australians to remain independent in their own homes will significantly influence health and aged care costs. The Office of Ageing has convened a high-level working group to progress policies and programs stemming from the HAIL report findings. This group comprises representatives from the areas of architecture, building, planning and universal design, home modifications, the non-government sector, and NSW Government agencies.

“When I realised that the Study would establish a database to better manage health in the future I thought ... imagine if we had done that 100 years ago”

– Kerry Schiemer, 45 and Up Study participant

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Tools for researchers

We developed tools for researchers using the study, including manuals and training programs. We also produced 'synthetic' Medicare and Pharmaceutical Benefits Schedule datasets to meet the needs of researchers interested in using data linked to Medicare Australia. Synthetic datasets are created from summary MBS and PBS data and strongly resemble real datasets. This helps researchers plan and create their analyses outside the Sax Institute without individual patient information being revealed. They can then get more value from their time onsite when they need to work on actual linked datasets housed at the Institute.

A different kind of blood bank

Work began to establish a Biobank, which will collect, process and store more than 150,000 blood samples from study participants. These biospecimens are vital for investigating chronic disease risk factors, improving our understanding of disease, and helping develop personalised medical treatment. The Cancer Council NSW is leading the fundraising program to establish the Biobank, in association with the Sax Institute. Biospecimens will be linked to extensive participant data already contained in the 45 and Up Study, making the Biobank one of the few in the world to be integrated with information about health, lifestyle and use of health services.

International partnerships

The large scale of the 45 and Up Study means that Australian researchers can more easily collaborate with similar large international studies. A collaboration between the Sax Institute and the well-known Million Women Study in the UK was established this year. This will enable researchers to compare the performance of the UK and Australian health systems, as well as provide an expanded database for women's health research.

The Institute manages the study in collaboration with major partner Cancer Council New South Wales and partners: the National Heart Foundation of Australia (NSW Division); NSW Health, *beyondblue: the national depression initiative*; Ageing, Disability and Home Care, Department of Human Services NSW; and UnitingCare Ageing.



SEARCH: the Study of Environment on Aboriginal Resilience and Child Health

Most NSW Aboriginal people live in urban areas or large regional centres but we know very little about their health. *The burden of disease and injury in Australia* report does tell us however, that the health of Indigenous people living in non-remote areas accounts for 60% of the health gap between Indigenous and non-Indigenous Australians.

SEARCH is a long-term study of the health of nearly 1700 urban Aboriginal children, making it the largest cohort study of its kind in Australia. It is being undertaken by researchers from The University of Sydney, Australian National University, Sax Institute, University of New South Wales, University of Western Sydney, and The University of Newcastle.

One of the study's unique features is that participating children receive a hearing test from an audiologist and a speech and language development assessment from a speech pathologist. This is yielding important information of value to families, Aboriginal Community Controlled Health Services and those involved in wider service and program planning.

SEARCH is being conducted in partnership with the Aboriginal Health and Medical Research Council and four urban Aboriginal Community Controlled Health Services across NSW: the Aboriginal Medical Service Western Sydney (Mount Druitt), Tharawal Aboriginal Corporation (Campbelltown), Riverina Medical and Dental Aboriginal Corporation (Wagga Wagga), and Awabakal Newcastle Aboriginal Co-operative.

This year, recruitment of participants was completed, and there were other milestone developments reached in this important project:

Sharing new knowledge

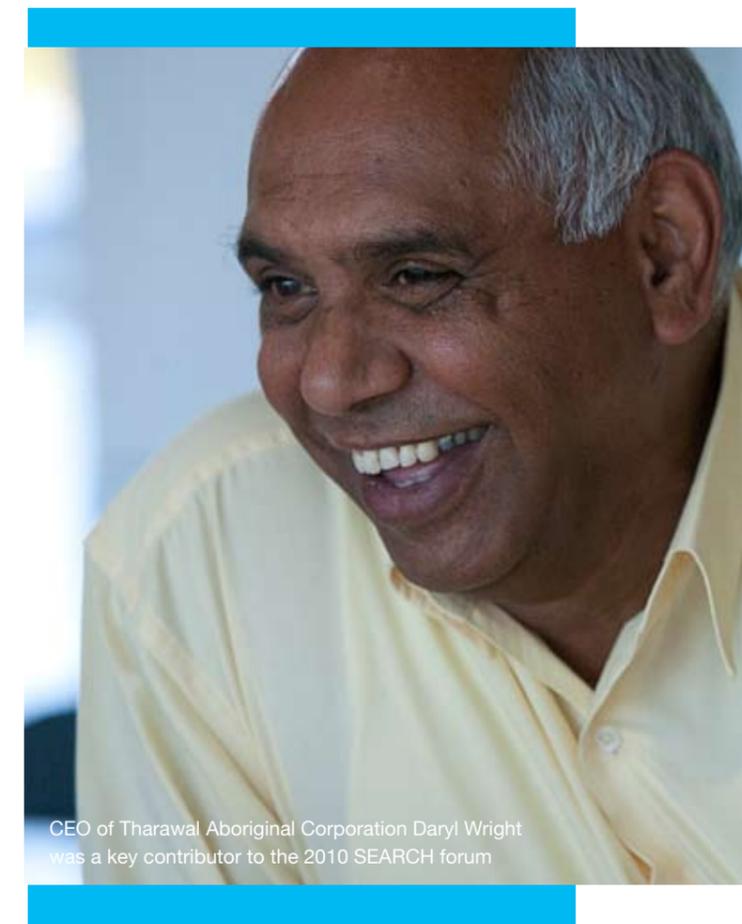
A forum was held in November 2010 to celebrate key SEARCH achievements, discuss the first findings and agree on priorities and future directions for analysing SEARCH data. There was significant interest in the forum, with 50 people attending from policy agencies, the research community and Aboriginal Community Controlled Health Services. The group heard how SEARCH was providing answers to questions in key areas and discussion took place on issues such as language, speech and child development, mental health and resilience, exercise and obesity, and ear health.

Important investments

The Office for Aboriginal and Torres Strait Islander Health, the Federal Department of Education, Employment and Workforce Relations, NSW Health and *beyondblue: the national depression initiative*, all invested in SEARCH. Such a high level of interest demonstrates the value of this project to those working in health policy.

Ensuring quality research findings

We have been testing the methods we use as part of SEARCH to help ensure the quality of the study's findings into the future and make it a more useful resource. For example, we examined the appropriateness to Aboriginal children of the Strength and Difficulties Questionnaire – the most common measure of mental health used to prioritise children's access to services. As part of this work we have found that relationship to family appears to be a more important indicator of social and emotional wellbeing in Aboriginal children than peer group relationships. We have also developed measures of the quality of green space, potentially an important determinant of health.



CEO of Tharawal Aboriginal Corporation Daryl Wright was a key contributor to the 2010 SEARCH forum



PhD student Bronwen Taylor

How can Google Earth improve public health?

As the relationship between health and open space becomes more important in research around physical activity and health, we may need to consider new ways of assessing the quality of our built environment. This thinking prompted PhD student Bronwen Taylor (pictured, left) to investigate the potential of Google Earth to examine the quality of parks and other green spaces without the need for in-person visits.

Her resulting paper, *Measuring the Quality of Public Open Space Using Google Earth*, was published in 2011 in the *American Journal of Preventive Medicine* and selected as part of the journal's continuing education program.

Ms Taylor and colleagues from the Institute and schools of public health at the Universities of Sydney and New South Wales, found that remote assessment of green space using Google Earth was 10 times faster than in-person visits using the Public Open Space Tool. This dramatic reduction in the amount of time needed for environmental audits could have widespread implications for understanding the relationship between health and physical activity, and public open space.

PHRN: Population Health Research Network

More important health research could be carried out in Australia using routinely collected data held by state and territory health departments and health services. In order to link this information together, the Australian Department of Innovation, Industry, Science and Research funded the PHRN, a national network with a presence in each state and territory. The Sax Institute hosts the NSW arm of the network.

The PHRN is developing technological infrastructure for linking health-related data and for supporting the use of linked data in research. Its work will lead to important health information being more readily used by researchers and policy makers.

The Sax Institute's major contribution to PHRN is SURE – the Secure Unified Research Environment. SURE is a remote access computing environment that allows researchers to store and analyse linked health-related data files. This environment is highly secure and accessible only over encrypted Internet connections. It has measures in place to prevent data being transferred between studies and to manage research confidentiality.

A large amount of developmental work on SURE has taken place during the year and the system will 'go live' in late 2011. SURE's cutting-edge concept and design have been widely acclaimed and we have been awarded additional funding through the national Education Investment Fund to expand it to service researchers nationally over the next two years. We are also working on new analytic and data management tools that will be made available to researchers through SURE.

These include tools for managing privacy risks being developed in collaboration with CSIRO and the Australian Bureau of Statistics.

The SURE concept has also attracted international interest. The Sax Institute's Principal Scientist, Professor Louisa Jorm, and PHRN Consultant Epidemiologist Dr Tim Churches recently addressed the Scottish Health Informatics Programme biennial conference at the

University of St Andrews on SURE's important new role in Australia. The level of interest in SURE was so high that the Institute has been invited back to the UK to further share its knowledge of this exciting innovation.



Sax Institute Principal Scientist Professor Louisa Jorm presents on the SURE project

2. Workforce capacity

We strengthened the capacity of the workforce to undertake policy-relevant research

Early career researchers

The work of the Institute has contributed to training 62 early career researchers in the past three years. We have also contributed to a number of NHMRC Capacity Building Grants that have had significant impacts in supporting early career researchers. These grants provide funding for these researchers, allowing them to work as part of a larger team with a structured training and mentoring program.

HERON – Health Evaluation Research & Outcome Network – is the result of one such capacity building grant, which built capacity in the use of population datasets for research. HERON has now ended but a recent review demonstrated its achievements, finding that the program resulted in 94 peer-reviewed scientific publications, 46 scientific reports and about 30 research grant applications authored by one or more early career researchers.

The Outcomes Services and Policy for the Reproductive and Early Years (OSPREY) capacity building grant is extending this work by training early career researchers interested in using population datasets for research to drive improvements in health services for mothers, babies and children. Through the ‘Making a difference: building research capacity for health interventions to improve Aboriginal health’ capacity building grant led by Professor Sandy Eades, 11 team investigators, many from Aboriginal backgrounds, are being mentored to become independent researchers in this field.

Masterclass program

During 2010–2011, the Institute held several training programs and masterclasses, which provided forums for discussion and learning among researchers. One session that attracted considerable interest was a masterclass with Professor Brian Mittman, an expert in the field of implementation science.

Implementation science aims to improve healthcare quality and efficiency through innovative and effective strategies and practices. Professor Mittman – Director of the US Department of Veterans Affairs Center for Implementation Practice and Research Support – discussed research approaches to studying implementation and how implementation strategies might be designed.

Another popular masterclass to develop skills in the use of social networking analysis was led by Professor Penny Hawe, an international expert in intervention research from the University of Calgary, Associate Professor Cynthia Webster (Macquarie University), Professor Jeffrey Braithwaite (University of New South Wales) and Dr Frances Cunningham (University of New South Wales).

Fellowships, scholarships and academic visits

Among our own staff, Dr Kathleen Falster was awarded an NHMRC Post Doctoral Fellowship in 2011. Dr Falster will work with collaborating researchers and communities on a series of projects based on SEARCH Study data. This will include assessing the association between middle ear disease and hearing, speech and language outcomes among Aboriginal children.

We also hosted two public health officer trainees and one trainee biostatistician through NSW Health programs. In late 2010 Ms Sophie Clyne, Senior National Health Service Manager, UK, undertook a one month academic visit to the Institute and during her time in Australia worked with the SEARCH Study team.



The University of Calgary's Professor Penny Hawe brings her expertise to Australia

Professor Bob Elliott, Head of the Health Economics Research Unit in Aberdeen, Scotland, spent time at the Institute as part of his sabbatical. During his visit he conducted a mini-exchange with policy makers from NSW Health and NSW Treasury and is collaborating to develop research in health workforce.

A new scholarship scheme established through the Hospital Alliance for Research Collaboration (HARC) network has provided another opportunity to support researchers in their important work. HARC, which links clinicians, researchers and policy makers so they can share knowledge and ideas, was established by the Institute in partnership with the Clinical Excellence Commission (CEC) and the Agency for Clinical Innovation (ACI).

The HARC Scholarship will allow participants to develop their skills in integrating evidence into health policy. Three scholarships have been awarded so far, including to Carolyn Der Vartanian from the CEC, Fidy Westgarth from the ACI and Barbara Stretles, manager of the ACI's Brain Injury Rehabilitation Directorate Network.

3. Research partnerships

We led and facilitated important research partnerships

The Sax Institute excels in forming strategic partnerships. Some key examples are outlined below.

Cardiovascular Research Network

An important part of our work includes facilitating and coordinating large-scale projects across institutions. Over the past three years we have assisted 33 large

collaborative projects. A special example this year is the Cardiovascular Research Network.

The Office for Science and Medical Research and the Heart Foundation have funded a network of more than 30 cardiovascular researchers to use the 45 and Up Study to drive collaboration and provide answers to important questions around preventing and managing heart disease. This program is already yielding interesting findings in relation to sedentary behaviour and cardiovascular risk, erectile dysfunction as a predictor of cardiovascular events and the relationship between sleep disorders and cardiovascular disease.



Professor John Chalmers, Senior Director, Professorial Unit at The George Institute for Global Health, connects with colleagues at the 45 and Up Study collaborators' meeting

Clinical networks: embedding evidence into health systems

NSW has a unique program of clinical networks funded through the ACI. These networks have high levels of clinician ownership and are a potentially powerful method for driving improvements in clinical practice. The Sax Institute is working in partnership with the ACI to bring leading researchers from NSW, across Australia and overseas to understand the networks' effectiveness and how they can best be used.

The aim of this work is to develop and test models of embedding evidence-based care in the NSW health system. It is supported by two NHMRC partnership grants, including funding to support improving evidence-based care of men with prostate cancer.

This three-year study, also funded by the Prostate Cancer Foundation of Australia, will assess whether a tailored, clinician-led intervention in nine hospitals within the ACI's Urology Network increases evidence-based care for high-risk patients after surgery. Its findings will enable ACI to determine whether clinical networks are effective change agents, and will help it advise other jurisdictions about how to use clinical networks to improve care.

Clinical Excellence Commission CEO Professor Cliff Hughes offers insights at a HARC forum



Exploring New Frontiers

Productivity Commission Chairman Gary Banks launches the innovative CIPHER project

Objective: To develop and test new ways of using evidence in policy

Australian and international governments are increasingly recognising that greater use of research during the development and evaluation of policy is an important goal. But there is still a way to go.

A recent review conducted by the Sax Institute found there was very little evidence for how policy agencies might best access, use and generate research evidence in their work.

Across the globe, varying approaches are being taken to encourage better engagement between the fields of research and policy. The Sax Institute is a leader in this area, as demonstrated by the strategies and programs outlined in this report.



What we achieved in 2010–2011

We led thinking about the use of research in policy

During the year we prepared a major new report for NSW Health about how to integrate research into the rollout of policies and programs. A workshop facilitated by Professor Penny Hawe, from the University of Calgary, was held to consider this issue and attracted strong interest from 35 researchers and policy agencies.

We also presented our work about how to increase the use of research in policy at conferences, and published a number of important articles about research and policy engagement in respected peer reviewed journals such as *Social Science & Medicine* and *The Milbank Quarterly*.

One study, published in the journal *Evidence & Policy*, involved an extensive search of 106 research papers covering population health policy and programs. We found only five studies that tested the effectiveness of strategies to increase the use of research in health policy. This is an emerging area of research and our review highlighted the need for improved methods in the field. However, there is some evidence that tailored, targeted messages, and giving policy makers access to research registries, may increase the use of research in policy development.

We shared our experience internationally

Our staff members are regularly invited to contribute internationally. For example, in February 2011, CEO Professor Sally Redman was invited by the Canadian Institutes for Health Research to chair a major review of their Institute for Health Services and Policy Research.

Our Principal Scientist, Professor Louisa Jorm, was an invited keynote speaker at the Health Services Research in Europe Conference, held at The Hague.

In 2010 our Director of Health Services Research, Associate Professor Mary Haines, completed the prestigious professional Fulbright Scholarship program in the United States, where she spent four months working with international leaders in healthcare evaluation. Associate Professor Haines' scholarship focused on improving the system-wide implementation of evidence-based care, and will result in ongoing collaborations with leaders at the Veterans Health Administration, University of Los Angeles California (UCLA) and the RAND Corporation.

The Institute took its expertise to Ireland in February at the invitation of the Irish Health Research Board and the Department of Health and Children, both of which were interested in how evidence could be more effectively used in health and social care. We delivered a three-day workshop to Irish policy makers and researchers about the respected Sax model, and this exchange achieved strong results. The Department subsequently asked the Health Research Board to complete a number of evidence reviews using our model.



NSW Chief Scientist Professor Mary O'Kane addresses the CIPHER launch

We launched an innovative research centre to test what works best in practice

The Institute was awarded an NHMRC Centre of Research Excellence grant to establish CIPHER – the Centre for Informing Policy in Health with Evidence for Research. Over the next five years, CIPHER will test the best ways to help policy agencies find and use research. It is a collaboration between the Sax Institute, the University of Western Sydney, the Australasian Cochrane Centre, The University of New South Wales, The University of Newcastle, University of Technology and University of St Andrews in the UK.

A centre of research excellence

The Centre for Informing Policy in Health with Evidence for Research (CIPHER) is a unique opportunity to combine the expertise of policy agencies and researchers. These groups will work together to consider the tools, skills and systems that might contribute to an increased use of research evidence in policy.

Launched in July 2011 by Productivity Commission Chairman Gary Banks, CIPHER is funded under the NHMRC's Centres for Research Excellence program and will:

- Develop new ways of measuring the use of research in policy
- Describe current policy agency practice in using research
- Test the impact of an intensive, integrated intervention program based on our 'best bets' about what works
- Develop and test innovative new strategies to increase research receptivity in policy agencies, improve access to information summaries, generate relevant new research, and build researchers' skills in working with policy agencies.

CIPHER is led by some of Australia's leading researchers in this field.

“ *The reality is that evidence cannot be influential unless it is the right evidence and seen by the right people at the right time*

– Gary Banks, Chairman, Productivity Commission ”

Our Organisation, Our People



During 2010–2011, the Institute's structure comprised four Divisions and an Executive Unit.

The Knowledge Transfer Division leads our work on improving policy makers' access to existing research. The Division Head during 2010–2011 was Ms Deborah Frew (until March 2011) and Mr Andrew Milat (from March onwards).

The Cohort Division leads our work on our two major cohorts, the 45 and Up Study and SEARCH. The Division Head during 2010–2011 was Dr Sonia Wutzke.

The Intramural Research Division provides leadership in our internal research programs and scientific advice across all of our programs. It is led by Dr Fiona Blyth.

The Finance and Operations Division, led by Ms Marianne Karam, manages all aspects of Institute administration, providing financial management, policy development and implementation and human resources support.

The Executive Unit leads strategic developments across the Institute. A key program during 2010–2011 was the Population Health Research Network, led by our Principal Scientist, Professor Louisa Jorm.

Apart from managing our many successful programs and projects, this year the Institute has also carried out some important structural changes. We:

- Relocated to provide sufficient space for our new programs
- Established and implemented a privacy and security framework to ensure that all of the data held by the Institute is managed appropriately
- Established and implemented a research governance framework to ensure that the research undertaken by the Institute (and by others using the data of which we are the custodian) meets the relevant national guidelines.

Sax Institute 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 2010–2011 the Sax Institute had 36 member organisations and nominees.

Research Members

Australian Centre for Health Promotion
The University of Sydney

Centre for Clinical Epidemiology and Biostatistics
The University of Newcastle

Centre for Clinical Governance Research in Health
The University of New South Wales

Centre for Health Economics Research and Evaluation
University of Technology, Sydney

Centre for Health Service Research
The University of 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

Centre for Primary Health Care and Equity
The University of New South Wales

Dementia Collaborative Research Centre

Family Medicine Research Centre
The University of Sydney

The George Institute for International Health
The University of Sydney

Health Behaviour Sciences Research Collaborative
The 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 & Surveillance
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

Research Centre for Gender, Health and Ageing
The University of Newcastle

School of Medicine and Public Health
The 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 Services 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

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University Members

The University of New South Wales

University of New England

The 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

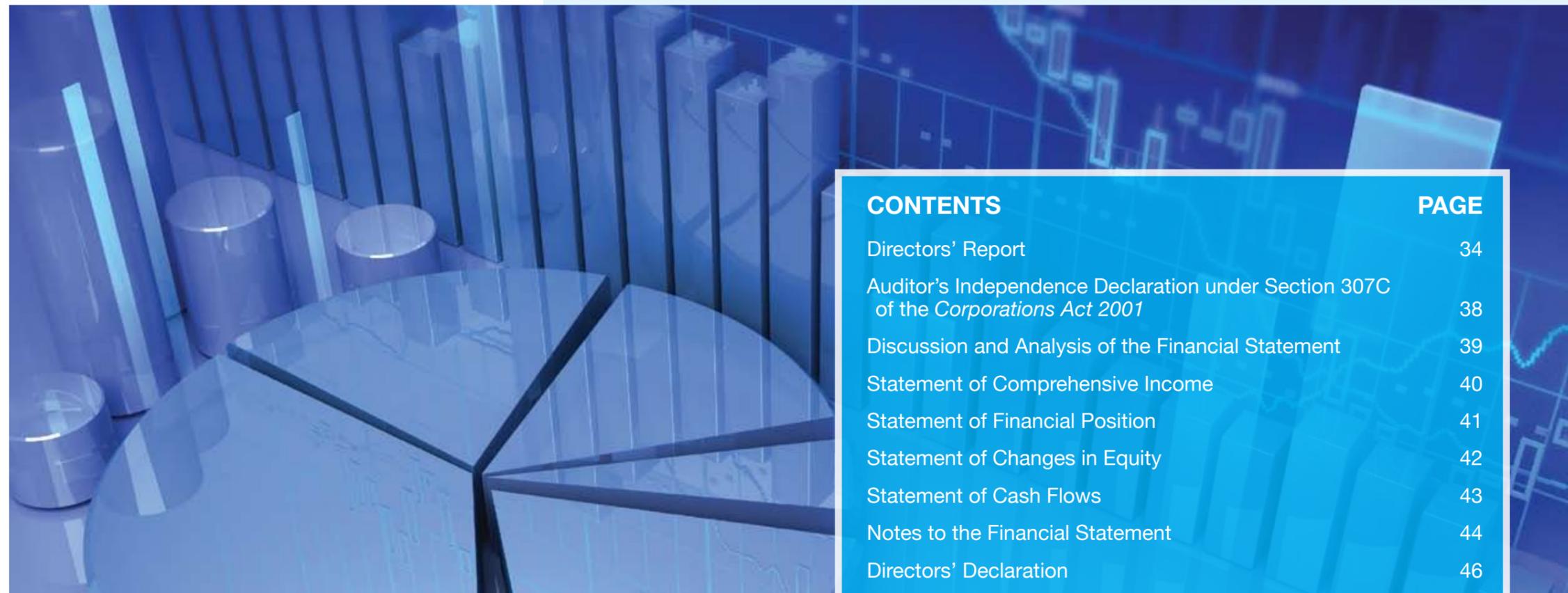
Centre for Health Services Research

The University of Sydney

The Sax Institute ABN 68 095 542 886

Concise Financial Statement

For the Year Ended 30 June 2011



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Directors' Report 30 June 2011

Your Directors present this report on the company for the financial year ended 30 June 2011.

Directors

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

Irene Moss
Peter Smith
Bruce Konrad Armstrong
Sally Redman
Michael John Hensley (resigned 2 August 2011)
Christopher Maitland Paxton
Glenn Philip Salkeld
Michael Lambert
Alan Cass
Kerry Chant
Marion Ruth Haas (resigned 17 November 2010)

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

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, FAICD. Ms Mioduszewski has 21 years of experience as Company Secretary and was appointed in this capacity for the Sax Institute on 24 August 2005.

The mission of the Sax Institute is to improve health, health services and programs by increasing the use of research in policy making. The company's short and long term objectives are:

- To improve the access of policy makers to existing research
- To generate new research for policy
- To continually develop and test innovative mechanisms to increase the use of research evidence in policy.

To achieve these objectives, the company has adopted the following strategies:

Provides services to policy agencies. The Institute provides a range of services to policy agencies including assisting them with undertaking reviews of evidence, establishing evaluations of their programs, understanding how research can assist in their work and establishing research programs to inform their work.

Builds and manages shared research infrastructure. The Institute builds and manages shared research infrastructure such as the 45 and Up Study, infrastructure for data linkage and the SEARCH cohort.

Develops policy relevant research. The Institute facilitates and leads research programs that address the priorities of policy agencies.

Strengthens researcher expertise. The Institute builds health research expertise through training programs, mentoring and facilitation of funding applications for early career researchers.

Information on Directors

Dr Irene Moss	<i>Chair</i>
Qualifications	AO, Hon. LLD, BA, LLB, LLM
Experience	Formerly Commissioner, Independent Commission Against Corruption and NSW Ombudsman
Special Responsibilities	Member, Audit and Risk Management Committee

Prof Peter Smith	
Qualifications	RFD, MD, FRACP, FRCPA, FAICD
Experience	Dean of Medicine, The University of New South Wales
Special Responsibilities	Member, Audit and Risk Management Committee (resigned 16/9/10)

Prof 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, The 45 and Up Study Strategic Advisory Committee; Member, CRIAH Steering Committee

Prof Sally Redman	<i>Chief Executive Officer</i>
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
Special Responsibilities	Member, Audit and Risk Management Committee

Prof Michael John Hensley	
Qualifications	MBBS, PhD, FRACP, FAFPHM
Experience	Dean of Medicine, Faculty of Health, University of Newcastle

Mr Christopher Maitland Paxton	
Qualifications	BA (Hons) in Economics (UK), MBA (UK)
Experience	Director, Pacific Strategy Partners
Special Responsibilities	Member, Audit and Risk Management Committee Member, The 45 and Up Study Strategic Advisory Committee

Prof Glenn Philip Salkeld	
Qualifications	BBus, Grad Dip Health Economics, MPH, PhD
Experience	Head and Associate Dean, School of Public Health, The University of Sydney

Mr Michael Lambert

Qualifications	BEC, MEd
Experience	Consultant, Royal Bank of Scotland
Special Responsibilities	Chairperson, Audit and Risk Management Committee

Prof. Alan Cass

Qualifications	BA, MBBS, Grad Dip Clinical Epidemiology, FRACP, PhD
Experience	Senior Director, the George Institute for Global Health; Member, Study of Environment on Aboriginal Resilience and Child Health Steering Committee, Coalition for Research to Improve Aboriginal Health (CRIA) Steering Group

Asst Prof Marion Ruth Haas

Qualifications	BPhy (Qld), MPH, PhD
Experience	Associate Professor of Health Services Research, Deputy Director of the Centre for Health Economic Research and Evaluation, The University of Technology, Sydney

Dr Kerry Chant

Qualifications	MBBS, FAFPHM, MHA, MPH
Experience	Deputy Director-General, Population Health and NSW Chief Health Officer

Meetings of Directors and Audit and Risk Management Committee

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

	Board of Directors' Meetings		Audit & Risk Management Committee Meetings	
	Eligible to attend	Number attended	Eligible to attend	Number attended
Irene Moss	4	3	1	1
Peter Smith	4	1	1	1
Bruce Konrad Armstrong	4	4	-	-
Sally Redman	4	4	4	4
Michael John Hensley	4	3	-	-
Christopher Maitland Paxton	4	4	4	3
Glenn Philip Salkeld	4	2	-	-
Michael Lambert	4	3	4	4
Alan Cass	4	4	-	-
Marion Ruth Haas	1	-	-	-
Kerry Chant	4	2	-	-
Cameron Johnstone (Non Director)	-	-	4	3

Member's Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 30 June 2011 the number of members is 37 (2010:37).

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 at page 38.

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



Dr Irene Moss

Director

Dated in Sydney, this 14th day of September 2011

Auditor's Independence Declaration

Under S 307C of the Corporations Act 2001

The document is an Auditor's Independence Declaration for The Sax Institute. It is signed by George Venardos, Director of Econ Audit and Assurance Services Pty Ltd. The declaration states that there have been no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit, and no contraventions of any applicable code of professional conduct in relation to the audit. The document is dated in Sydney, this 14th day of September 2011.

The Sax Institute
ABN 68 095 542 886
Auditor's Independence Declaration Under S 307C Of The Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 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.

ECON AUDIT AND ASSURANCE SERVICES PTY LTD

GEORGE VENARDOS
Director

Dated in Sydney, this 14th day of September 2011

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Economos Pty Ltd
Chartered Accountants
ABN 17 053 440 332
t: 61 2 9266 2200 f: 61 2 9261 2271
www.economos.com.au

incorporating:
Econ Financial Services Pty Ltd
ABN 67 095 934 053
AFSL 293876
t: 61 2 9266 2266 f: 61 2 9261 2271
www.econfs.com.au

Our liability is limited by a scheme approved under professional standards legislation, except where we are a financial services licensee.

Discussion and Analysis

of the Financial Statement

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 2011. The financial statements and disclosures in the concise financial report have been derived from the 2011 Financial Statement 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 statement. The discussion and analysis is based on the Sax Institute's financial statement and the information contained in the concise financial statement has been derived from the full 2011 Financial Statement of the Sax Institute.

Statement of Comprehensive Income

The final operating result for the year was a deficit of \$25,842, which represents a decrease from the previous year surplus of \$792,106. This result reflected a steady growth in revenue and a significant increase in project specific cost and operating expenses during the year. The increase in program cost is attributed to the implementation of research projects including but not limited to Population Health Research Network, National Collaborative Research Infrastructure Strategy (NCRIS) Project, 45 and Up Study, Study of Environment on Aboriginal Resilience and Child Health (SEARCH), Social, Economic and Environmental Factors associated with ageing (SEEF).

The implementation of the above projects resulted in an aggregate increase in employee related expenses and other operating costs. Total employee benefits expense and other expenses at year end are \$3,973,737 (2010: \$3,309,366) and \$618,386 (2010: \$450,287) respectively.

Statement of Financial Position

During 2011, the company has elected to continue to hold significant cash funds in term deposits with Adelaide Bank. These deposits provide operational liquidity for the company while yielding an average interest rate of more than 5%. Investments in T-Corp on the other hand have been significantly reduced and were used for the implementation of various research projects and other operational requirements during the year.

There were no major property or asset acquisitions during the year as the company intends to review its asset requirements when the transfer to the new premises is completed.

Funds received in advance decreased to \$2,344,848. This is attributable to funds being recognised as revenue as the related project work is completed.

Statement of Changes in Equity

Retained earnings decreased to \$2,949,141, a decrease of \$25,842 which is attributable to the 2011 deficit.

Statement of Cash Flows

Net cash flows from operating activities is \$(1,602,811). This movement represents an increased level of expenditure during the year compared with the previous year. Net cash flows from investing activities in 2010-2011 is \$2,821,237, and primarily represents the movements in T-Corp investments.

Statement of Comprehensive Income

For the Year Ended 30 June 2011

	Note	2011 \$	2010 \$
Funding revenue	2	6,951,410	5,939,971
T-Corp distributions		102,120	120,901
Project specific costs		(1,910,485)	(933,867)
Employee benefits expense		(3,973,737)	(3,309,366)
Depreciation, amortisation and impairments		(83,570)	(57,501)
Administration costs		(493,194)	(517,745)
Other expenses		(618,386)	(450,287)
(Deficit) / Surplus for the year		(25,842)	792,106
Other comprehensive income			
Net gain on revaluation of non-current assets		-	-
Net (loss)/gain on revaluation of financial assets		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(25,842)	792,106
(Deficit) / Surplus attributable to members of the entity		(25,842)	792,106
Total (deficit) / surplus attributable to members of the entity		(25,842)	792,106

Statement of Financial Position

As at 30 June 2011

	2011 \$	2010 \$
ASSETS		
Current assets		
Cash and cash equivalents	2,367,834	1,149,318
Trade and other receivables	614,024	288,922
Short-term investments	2,126,560	2,000,000
Financial assets	754,935	3,753,426
Other assets	105,000	59,752
Total current assets	5,968,353	7,251,418
Non-current assets		
Plant and equipment	112,472	145,439
Other non-current assets	95,840	90,601
Total non-current assets	208,312	236,040
TOTAL ASSETS	6,176,665	7,487,458
LIABILITIES		
Current liabilities		
Trade and other payables	3,019,908	4,342,435
Short-term provisions	132,313	132,246
Total current liabilities	3,152,221	4,474,681
Non-current liabilities		
Other long-term provisions	75,303	37,794
Total non-current liabilities	75,303	37,794
TOTAL LIABILITIES	3,227,524	4,512,475
NET ASSETS	2,949,141	2,974,983
EQUITY		
Retained earnings	2,949,141	2,974,983
TOTAL EQUITY	2,949,141	2,974,983

Statement of Changes in Equity

For the Year Ended 30 June 2011

2011	Retained Earnings \$	Total \$
Balance at 1 July 2010	2,974,983	2,974,983
Surplus attributable to members	(25,842)	(25,842)
Balance at 30 June 2011	2,949,141	2,949,141

2010	Retained Earnings \$	Total \$
Balance at 1 July 2009	2,182,877	2,182,877
Surplus attributable to members	792,106	792,106
Balance at 30 June 2010	2,974,983	2,974,983

Statement of Cash Flows

For the Year Ended 30 June 2011

	2011 \$	2010 \$
Cash flow from operating activities:		
Grants and donations received	5,186,182	8,210,640
Payments to suppliers and employees	(6,927,076)	(4,960,893)
Interest received	138,083	101,720
Net cash (used in) / generated from operating activities	(1,602,811)	3,351,467
Cash flow from investing activities		
Payments for other short-term investments	-	(2,000,000)
Payments for available-for-sale assets	(4,101,152)	(7,219,000)
Proceeds from available-for-sale assets	6,973,082	6,872,500
Acquisition of property, plant and equipment	(50,603)	(147,227)
Net cash generated from / (used in) investing activities	2,821,237	(2,493,727)
Cash flow from financing activities:		
Repayment of finance lease commitments	-	-
Increase in finance lease commitments	-	-
Net cash used in financing activities	-	-
Net increase in cash held	1,218,516	857,740
Cash and cash equivalents at beginning of the financial year	1,149,318	291,578
Cash and cash equivalents at end of the financial year	2,367,834	1,149,318

Notes to the Concise Financial Statement

For the Year Ended 30 June 2011

NOTE 1: Summary of Significant Accounting Policies

Basis of Preparation of the Concise Financial Statements

The concise financial statement is an extract from the full financial statement for the year ended 30 June 2011. The concise financial statement 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 statement are derived from, and are consistent with, the full financial statement of the Sax Institute. The concise financial statement 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 statement. A copy of the full financial statement and auditor's report will be sent to any member, free of charge, upon request.

The presentation currency used 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 statement have been rounded to the nearest dollar.

NOTE 2: Revenue and Other Income

	2011 \$	2010 \$
Operating revenue		
- Funding revenue	6,483,873	5,656,341
- Donations	-	50,060
- Conferences and training	269,742	17,863
- Sitting fees	7,159	1,602
- Consultancy fees	14,400	42,335
- Other revenue	38,153	70,050
- Interest received	138,083	101,720
Total Revenue	6,951,410	5,939,971

NOTE 3: Dividends

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

NOTE 4: Operating Segment

The company's activities are to foster and conduct health research throughout New South Wales, Australia

NOTE 5: Economic Dependence

The NSW Department of Health ("the Department") 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 funding agreement for \$1,841,400 per annum was signed on 1 July 2008 and is in effect until 30 June 2013.

At the date of this report, the Board of Directors has no reason to believe that the Department will not continue to support the Sax Institute.

NOTE 6: Events After the Reporting Period

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 the future financial years.

Directors' Declaration

The Directors of the company declare that the concise financial statement of the Sax Institute for the financial year ended 30 June 2011, as set out on pages 40–45:

- (a) complies with Accounting Standard AASB 1039: Concise Financial Reports; and
- (b) is an extract from the full financial statement for the year ended 30 June 2011 and has been derived from and is consistent with the full financial statement of the Sax Institute.

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



Dr. Irene Moss

Director

Dated in Sydney, this 14th day of September 2011

Independent Auditor's Report

to the members of the Sax Institute



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The Sax Institute

ABN 68 095 542 886

Independent Auditor's Report to the members of the Sax Institute

Report on the concise financial statement

The accompanying concise financial statement of the Sax Institute comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and related notes, derived from the audited financial statement of the Sax Institute for the year ended 30 June 2011, as well as the discussion and analysis. The concise financial statement does not contain all the disclosures required by Australian Accounting Standards and accordingly, reading the concise financial report is not a substitute for reading the audited financial report.

Directors' responsibility for the concise financial statement

The directors are responsible for the preparation and presentation of the concise financial statement in accordance with Accounting Standard AASB 1039: Concise Financial Reports, and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the concise financial statement.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial statement based on our procedures which were conducted in accordance with Auditing Standard ASA 810: Engagement to Report on Summary Financial Statements. We have conducted an independent audit, in accordance with Australian Auditing Standards; of the financial statement of the Sax Institute for the year ended 30 June 2011. We expressed an unmodified audit opinion on that financial statement in our report dated 14 September 2011. 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 statement for the year is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial statement. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the concise financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entities preparation of the concise financial statement 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. Our procedures included testing that the information in the concise financial statement is derived from, and is consistent with, the financial statement 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 statement for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial statement complies with Accounting Standard AASB 1039: Concise Financial Reports and whether the discussion and analysis complies with the requirements laid down in AASB 1039: Concise Financial Reports.

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

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Our liability is limited by a scheme approved under professional standards legislation, except where we are a financial services licensee.

The Sax Institute

ABN 68 095 542 886

Independent Auditor's Report to the members of the Sax Institute

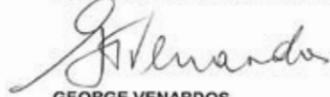
Independence

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 15 August 2011 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 statement including the discussion and analysis of the Sax Institute for the year ended 30 June 2011 complies with Accounting Standard AASB 1039: Concise Financial Reports.

ECON AUDIT AND ASSURANCE SERVICES PTY LTD



GEORGE VENARDOS
Director

Dated in Sydney, this 14th day of September 2011

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