The Sax Institute

ABN 68 095 542 886

Annual Report - 30 June 2026

The Sax Institute
Directors' report
30 June 2026

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2026.

Directors
The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Dr Ian Pollard (Chairperson)
Dr Martin McNamara (CEO)
Ms Kim Anderson
Ms Robin Low
Mr Mark Booth
Professor David Preen
Professor David Whiteman
Professor Gail Garvey

Objectives

Our Mission: Support communities, organisations and governments to act on what works to improve the lives of all Australians.

Our Vision: A healthier future for every generation.

Our unique position: With Australia's broadest range of evidence tools and methods, and an unrivalled partner network, we provide the independent intelligence that health and wellbeing systems need, when and how they need it.

Strategic pillars

(1) **Build high-impact partnerships** with a strong network of experts, collaborators and delivery partners to solve complex health and related challenges.
(2) **Amplify the Sax**'s visibility, influence and value proposition through a clear, compelling brand and consistent positioning.
(3) **Strengthen and reshape priority assets and capabilities** to deliver trusted, integrated and nationally significant evidence.
(4) **Transform our organisation for the future** with strong financial management, modern systems and technology, and a culture where people thrive.

The Sax Institute takes a values-based approach built on:
- Trusted partnerships both globally and locally
- Independence and integrity
- Collaboration
- Commitment to innovation
- Flexible and responsive to the needs of our partners
- Active engagement of our partners and members
- Staying connected with the communities we work with and for

Information on directors

Name:	Ian **Pollard AM**
Title:	Doctor
Qualifications:	BA (Macq), MA (Oxon), DPhil (IMC), Hon DBus (Macq), FIAA
Experience and expertise:	Dr Ian Pollard is an actuary and Rhodes Scholar with 40 years' experience as a company director and chairman. Dr Pollard was, for 20 years, Chairman of RGA Reinsurance Australia and New Zealand, a role requiring a detailed understanding of trends in health, disability and mortality. He has been an executive coach, author and speaker in personal and professional development.
Special responsibilities:	Chair, Board of Directors

Name:	Martin **McNamara**
Title:	Doctor
Qualifications:	BMedSci (Hons), MPH, PhD
Experience and expertise:	Currently the Sax Institute's CEO, he joined the Institute in 2016 and served as Deputy CEO from 2018 to 2022. He has previously held a number of senior leadership roles at Commonwealth and State government levels. Prior to joining the Institute, he was the Executive Director of the National Health Performance Authority.
Special responsibilities:	Chief Executive Officer

Name:	Kim **Anderson AM**
Title:	Ms
Qualifications:	BA (USYD), Post Graduate Diploma in Library and Information Science (UTS)
Experience and expertise:	Non-Executive Director of Great Southern Bank and ASX-listed SiteMinder Ltd. Former Non-Executive Director of ASX-listed companies CAR Group, Infomedia Ltd, InvoCare Ltd and WPPAUNZ Ltd. Former Fellow of the University of Sydney Senate, former Chair of the Building and Estates Committee, and former member of the Audit Risk Management and Investments Committee from 2004 to 2011. Former CEO of Southern Star Entertainment and founder and CEO of Reading Room Inc (bookstr.com).
Special responsibilities:	Chair of People, Culture and Nominations Committee

Name:	Robin **Low**
Title:	Ms
Qualifications:	BCom, FCA, FAICD
Experience and expertise:	Expertise in finance, risk and assurance. Ms Low is a former PwC Partner and now serves as an independent director of ASX-listed companies Appen Limited (ASX:APX) and Articore Limited (ASX:ATG). She is a director of HCF Limited and HCF Life Limited. She is also a director of not-for-profit entities Guide Dogs NSW/ACT and Yalari. Robin is a former director of AUB Limited (ASX:AUB), IPH Limited (ASX:IPH), Marley Spoon SE (ASX:MMM) and the Australian Reinsurance Pool Corporation, and is a former deputy chair of the Auditing and Assurance Standards Board. She serves on the Senate Finance Committee of the University of Sydney.
Special responsibilities:	Chairperson, Audit and Risk Management Committee

Name:	David **Preen**
Title:	Professor
Qualifications:	BSc (Hons), PhD
Experience and expertise:	Currently the Chair in Public Health at the School of Population and Global Health, University of Western Australia (UWA) and holds an honorary position at Swansea University (UK). Previously the Director of the UWA Centre for Health Services Research.

Name:	David **Whiteman AM**
Title:	Professor
Qualifications:	B Med Sc, MBBS (Hons), PhD, FAHMS, FAFPHM
Experience and expertise:	Currently a medical epidemiologist at the QIMR Berghofer Medical Research Institute where he was deputy director from 2016-2021. National Health and Medical Research Council Leadership Research Fellow, Fellow of the Australian Academy of Health and Medical Sciences, Fellow of the Australasian Faculty of Public Health Medicine, Honorary Fellow of the Skin Cancer College of Australasia.

Name:	Mark **Booth**
Title:	Mr
Qualifications:	MA (Econ), EMPA, Dip Public Health
Experience and expertise:	Mr Booth is an independent consultant and was previously a senior public servant and academic with more than 40 years' experience in senior roles in Australia, the United Kingdom, New Zealand and the United States of America. Mr Booth has specific expertise in health and regulatory policy and is the former CEO of the independent statutory agency Food Standards Australia New Zealand. His most recent work has involved undertaking an independent legislative review into rural health issues, with the report tabled in the Federal Parliament.

Name:	Gail **Garvey AM**
Title:	Professor
Qualifications:	PhD, M.Ed., B.Ed
Experience and expertise:	Professor Garvey AM is a Kamilaroi woman and Professor of Indigenous Health Research at The University of Queensland and an NHMRC Leadership Fellow, with over 30 years' experience in Aboriginal health research and advancing evidence-based, culturally safe and equitable cancer care for First Nations Australians. Her expertise spans Indigenous health and wellbeing, health services research, implementation science and knowledge translation. Professor Garvey has led national and international collaborations, influenced cancer policy and practice, and is committed to advancing culturally safe, evidence-based healthcare and strengthening partnerships between communities, researchers and health services. In 2024, Professor Garvey was appointed as a Member of the Order of Australia (AM) for her significant contribution to Indigenous peoples' health and cancer research and, in the same year, she was invited to join the Queensland Academy of Arts and Sciences as a Fellow (FQA). More recently, in 2025, Professor Garvey received Cancer Australia's prestigious Jeannie Ferris Award for delivering equity of outcomes for all Australians with cancer.

Company secretary

The following person held the position of Company Secretary at the end of the financial year: Ms Melinda Ewell (MCom; CPA).

Financial performance overview
The 2025-26 financial year marked a significant turnaround for the Sax Institute, with the Institute returning to a net surplus of $548k, a $2.1 million improvement on the $1.6 million net loss recorded in 2024-25. This result reflects the successful execution of the sustainability measures implemented in the prior year and demonstrates the Institute's resilience and financial discipline in a continuing challenging operating environment.

The turnaround builds directly on actions taken in FY25. Having returned to monthly operational surpluses from April 2025, the Institute carried that momentum into FY26, consolidating a leaner and more sustainable cost base while maintaining quality and integrity of service delivery to our partners. Key contributing factors included:

- A full year benefit from the reduced office footprint and associated savings in rent and facility costs (a $109k year-on-year cost saving)
- Lower employment costs following reductions in our workforce and continued disciplined management and alignment of resources to active projects (a $1.7m year-on-year cost saving)
- The benefits of renegotiated supplier contracts and service agreements and continued financial discipline ($101k in IT cost savings)
- Progress on revenue diversification initiatives, including foundational work in establishing a philanthropy program, consulting income growth, and new partnerships

Importantly, this financial recovery was achieved without compromising the Institute's strategic priorities. The Institute continued to invest in the high-potential initiatives established in FY25 and pursued new opportunities that strengthen our long-term impact and sustainability. Key initiatives include:

- Launch of the 2026-2029 Strategic Plan
- Establishment phase of the NHMRC-funded 18+Up study, including recruitment of key personnel
- SURE 3.0 project with external investment to enhance the platform informed by customer feedback
- New and expanded collaborations arising from investment in data modelling capacity and capability
- Further significant contracts awarded to the Institute, expanding on prior work in family, domestic and sexual violence (FSDV), mental health, evaluations and data modelling services.

The $548k surplus represents a return to profit, with the structural changes made in FY25 supporting a durable foundation for the Institute's operations. The combination of a disciplined cost base, a leaner operating structure and a smaller physical footprint has proven sustainable across the financial year, increasing the Board's confidence in the Institute's financial trajectory going forward. The Sax Institute remains committed to transparent financial management and will continue to monitor performance closely to ensure ongoing sustainability.

The Sax Institute
Directors' report
30 June 2026

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Full Board		People, Culture and Nominations Committee		Audit and Risk Management Committee	
	A	B	A	B	A	B
Ian Pollard (Chair)	4	4	2	2	4	4
Martin McNamara	3	4	2	2	3	4
Kim Anderson	3	4	2	2	-	-
Mark Booth	4	4	-	-	4	4
Robin Low	4	4	-	-	4	4
David Preen	4	4	-	-	-	-
David Whiteman	4	4	2	2	-	-
Gail Garvey	2	4	2	2	-	-

A – Number of meetings attended
B – Number of meetings eligible to attend

Contribution on winding up
The Sax Institute is a not-for-profit unlisted public company limited by guarantee. In the event of and for the purpose of, winding up of the Company, the amount capable of being called up from each member and / or association who ceased to be a member in the year prior to the winding up is limited to $10 for members that are corporations and $10 for all other members, subject to the provisions of the Institute's constitution.

At 30 June 2026, the collective liability of members was $790 (2025: $750).

This report is made in accordance with a resolution of directors on this __ day of September 2026.

On behalf of the Board of Directors



Dr I Pollard
Chair of Board of Directors



Dr M McNamara
Executive Director

William Buck
ACCOUNTANTS & ADVISORS

Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012

To those charged with governance of The Sax Institute

As auditor for the audit of The Sax Institute for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck
Accountants & Advisors
ABN 16 021 300 521

Dudley Belling
Partner

Sydney, __ September 2026

The Sax Institute
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The Sax Institute
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	2026 $	2025 $
Revenue	4	10,943,855	10,449,369
Other income	5	224,179	306,320
Expenses			
Project specific costs		(2,535,864)	(2,648,278)
Employee benefits expenses	6	(6,833,704)	(8,371,231)
Depreciation and amortisation expenses	6	(897,569)	(1,044,747)
Administrative expenses		(352,400)	(334,789)
Surplus/(deficit) before income tax expense		548,497	(1,643,356)
Income tax expense		-	-
Surplus/(deficit) after income tax expense for the year	18	548,497	(1,643,356)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(loss) for the year		548,497	(1,643,356)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

The Sax Institute
Statement of financial position
As at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	7	3,627,290	2,750,642
Trade and other receivables	8	1,285,289	1,508,222
Other financial assets	9	1,000,000	-
Other assets	10	563,927	822,481
Total current assets		6,476,506	5,081,345
Non-current assets			
Right-of-use assets	11	1,292,546	1,670,858
Property, plant and equipment	12	1,508,692	1,549,568
Intangibles	13	350,379	368,820
Total non-current assets		3,151,617	3,589,246
Total assets		9,628,123	8,670,591
Liabilities			
Current liabilities			
Trade and other payables	14	1,816,271	729,030
Lease liabilities	15	322,107	334,507
Employee benefits	16	604,192	641,058
Other liabilities	17	4,774,458	5,077,330
Total current liabilities		7,517,028	6,781,925
Non-current liabilities			
Lease liabilities	15	1,128,463	1,403,244
Employee benefits	16	177,994	229,281
Total non-current liabilities		1,306,457	1,632,525
Total liabilities		8,823,485	8,414,450
Net assets		804,638	256,141
Equity			
Retained earnings	18	804,638	256,141
Total equity		804,638	256,141

The above statement of financial position should be read in conjunction with the accompanying notes

The Sax Institute
Statement of changes in equity
For the year ended 30 June 2026

	Retained earnings $	Total equity $
Balance at 1 July 2024	1,899,497	1,899,497
Deficit after income tax expense for the year	(1,643,356)	(1,643,356)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	(1,643,356)	(1,643,356)
Balance at 30 June 2025	256,141	256,141

	Retained earnings $	Total equity $
Balance at 1 July 2025	256,141	256,141
Surplus after income tax expense for the year	548,497	548,497
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	548,497	548,497
Balance at 30 June 2026	804,638	804,638

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

The Sax Institute
Statement of cash flows
For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		12,414,588	10,683,637
Payments to suppliers and employees (inclusive of GST)		(10,176,876)	(12,550,085)
Donations received		110,598	73,210
Interest received		100,353	126,523
Net cash from/(used in) operating activities		2,448,663	(1,666,715)
Cash flows from investing activities			
Payments for property, plant and equipment		(199,390)	(858,416)
Development of intangibles		-	(204,264)
Reduction in security deposit		65,953	-
Investments in other financial assets		(1,000,000)	-
Net cash used in investing activities		(1,133,437)	(1,062,680)
Cash flows from financing activities			
Repayment of lease liabilities		(438,578)	(559,048)
Net cash used in financing activities		(438,578)	(559,048)
Net increase/(decrease) in cash and cash equivalents		876,648	(3,288,443)
Cash and cash equivalents at the beginning of the financial year		2,750,642	6,039,085
Cash and cash equivalents at the end of the financial year	7	3,627,290	2,750,642

The above statement of cash flows should be read in conjunction with the accompanying notes

The Sax Institute
Notes to the financial statements
30 June 2026

Note 1. General information

The financial statements cover The Sax Institute as an individual entity. The financial statements are presented in Australian dollars, which is The Sax Institute's functional and presentation currency.

The Sax Institute is a not-for-profit unlisted public company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of directors, on this ____ day of September 2026.

Its registered office and principal place of business is:

Level 3/30C Wentworth Street, Glebe NSW 2037

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

Note 2. Material accounting policy information

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

At 30 June 2026, the company had net current liabilities of $1,040,522 (2025: $1,700,580). This position includes income received in advance of $4,774,458 (2025: $5,077,330), which relates to future revenue. Excluding the income received in advance, the net current assets are $3,733,936 (2025: $3,376,750).

The directors have considered the company’s financial performance, operating cash flows, secured funding arrangements, forecast cash flows and the company’s ability to manage expenditure within available resources. The current year results represent a significant improvement in the company’s financial performance and cash generation and reflect the successful execution of the sustainability measures implemented in the prior year and continued financial discipline.

The directors are satisfied that the going concern basis of preparation is appropriate for the following reasons:

- Current year surplus of $548,497 (prior year deficit of $1,643,356).
- Net operating cash inflows of $2,448,663 (prior period cash outflows of $1,666,715).
- At the reporting date, the company has contracted revenue of over $18m from a variety of sources, with $9.1m of this scheduled to be delivered by 30 June 2027. This represents 72% of budgeted revenue for the 2026-27 financial year.
- Investment of $1m in longer-term term deposits classified as financial assets. These investments form part of the Institute’s treasury management plan together with existing cash and cash flow forecasts.
- Management and the directors closely monitor the cash flow needs of the company through the preparation of budgets and forecasts that are reviewed and updated on a monthly basis.

The going concern basis assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business and does not include any adjustments relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the company not be able to continue as a going concern.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not for-profit oriented entities.

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Note 2. Material accounting policy information (continued)

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Revenue recognition
The company recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Grant Revenue
Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity, and the amount of the grant can be measured reliably.

If conditions are attached to the grant that must be satisfied before it is eligible to receive the contribution, the recognition of the grant will be deferred until those conditions are met.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the grantor, otherwise the grant is recognised as income on receipt. In instances where the grant revenue exceeds the cost of the economic value provided, the surplus funds are deferred, and guidance is sought from the grantor for the application of surplus funds.

Donations
Donations and bequests are recognised as revenue when received.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Note 2. Material accounting policy information (continued)

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Plant and equipment that has been contributed at no cost, or for nominal cost, is re-valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation for all property, plant and equipment excluding freehold land is calculated using a reducing balance method from the date that management determines the asset is available for use. The Depreciation rates used for each class of depreciable assets are shown below:

Asset Type	Annual Depreciation Rate %
Leasehold improvements	20%
Furniture, fixtures and fittings	5% - 7.5%
Office equipment	10% - 40%
Computer equipment	33.3%

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

Intangible assets

Development costs

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the company is able to use or sell the asset; the company has sufficient resources and intent to complete the development; and its costs can be measured reliably.

Development costs	5%

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events that management believes are reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Lease make good provision
A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Note 4. Revenue

	2026 $	2025 $
Revenue	10,943,855	10,449,369

Disaggregation of revenue
The disaggregation of revenue from contracts with customers is as follows:

	2026 $	2025 $
Main revenue categories		
Government grants	3,441,534	3,304,657
Partnership and other research grants	2,051,606	2,023,084
Data and licencing fees	3,097,284	3,147,135
Fee for service income	2,318,692	1,961,053
Publication sponsorship and fees	34,739	13,440
	10,943,855	10,449,369
Geographical regions		
Australia	10,943,855	10,449,369
Timing of revenue recognition		
Services transferred over time	10,943,855	10,449,369

Note 5. Other income

	2026 $	2025 $
Interest income	113,282	149,414
Donations	110,598	73,468
Gain on disposal of fixed assets	-	83,438
Sundry income	299	-
Other income	224,179	306,320

Note 6. Expenses

	2026 $	2025 $
Surplus/(deficit) before income tax includes the following specific expenses:		
Depreciation and amortisation		
Property, plant and equipment	500,816	520,643
Right-of-use assets	378,312	524,104
Intangibles	18,441	-
Total depreciation and amortisation	897,569	1,044,747
Administrative expenses		
Interest and finance charges paid/payable on lease liabilities	148,378	86,214
Audit costs	38,000	39,200
Other	166,022	209,375
	352,400	334,789
Employee benefits expense		
Salaries and Wages	5,533,298	6,747,781
Superannuation	703,787	832,941
Other employee costs	596,619	790,509
	6,833,704	8,371,231

Note 7. Cash and cash equivalents

	2026 $	2025 $
Current assets		
Cash at bank	2,125,858	2,249,260
Cash on deposit	1,501,432	501,382
	3,627,290	2,750,642

The short-term bank deposits have a maturity of 3 months or less and attracted interest at variable rates.

Note 8. Trade and other receivables

	2026 $	2025 $
Current assets		
Trade receivables	804,630	1,306,231
Prepayments	459,554	193,821
Sundry receivables	21,105	8,170
	1,285,289	1,508,222

Note 9. Other financial assets

	2026 $	2025 $
Current assets		
Term deposits	1,000,000	-

Term deposits have maturity dates in excess of 3 months and attract interest of 5.25% per annum.

Note 10. Other assets

	2026 $	2025 $
Current assets		
Accrued revenue	370,052	562,653
Security deposit	193,875	259,828
	563,927	822,481

Note 11. Right-of-use assets

	2026 $	2025 $
Non-current assets		
Buildings - right-of-use	1,891,540	1,891,540
Less: Accumulated depreciation	(598,994)	(220,682)
	1,292,546	1,670,858

The company leases land and buildings for its office under the terms and conditions of a 5-year agreement, ending in November 2029.

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Buildings $	Total $
Balance at 1 July 2025	1,670,858	1,670,858
Depreciation expense	(378,312)	(378,312)
Balance at 30 June 2026	1,292,546	1,292,546

Note 12. Property, plant and equipment

	2026 $	2025 $
Non-current assets		
Leasehold improvements - at cost	586,541	680,279
Less: Accumulated depreciation	(299,917)	(335,001)
	286,624	345,278
Furniture, fixtures and fittings - at cost	405,025	408,851
Less: Accumulated depreciation	(366,693)	(313,022)
	38,332	95,829
Computer equipment - at cost	3,630,780	3,451,172
Less: Accumulated depreciation	(2,805,727)	(2,607,831)
	825,053	843,341
Office equipment - at cost	953,259	1,291,246
Less: Accumulated depreciation	(817,752)	(1,135,788)
	135,507	155,458
Capital work in progress	223,176	109,662
	1,508,692	1,549,568

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Leasehold Improvements $	Furniture Fixture and Fittings $	Office equipment $	Computer equipment $	Capital WIP $	Total $
Balance at 1 July 2025	345,278	95,829	155,458	843,341	109,662	1,549,568
Additions	-	-	46,680	299,746	113,514	459,940
Depreciation expense	(58,654)	(57,497)	(66,631)	(318,034)	-	(500,816)
Balance at 30 June 2026	286,624	38,332	135,507	825,053	223,176	1,508,692

Note 13. Intangibles

	2026 $	2025 $
Non-current assets		
18&Up - development costs	368,820	368,820
Less: Accumulated amortisation	(18,441)	-
	350,379	368,820

Note 13. Intangibles (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	18&Up - development costs $	Total $
Balance at 1 July 2025	368,820	368,820
Amortisation expense	(18,441)	(18,441)
Balance at 30 June 2026	350,379	350,379

Note 14. Trade and other payables

	2026 $	2025 $
Current liabilities		
Trade payables	734,140	92,952
Payroll liabilities	175,908	61,242
GST payable	120,936	130,860
Accrued expenses	785,287	443,976
	1,816,271	729,030

Note 15. Lease liabilities

	2026 $	2025 $
Current liabilities		
Lease liability	322,107	334,507
Non-current liabilities		
Lease liability	1,128,463	1,403,244
	1,450,570	1,737,751
Future lease payments		
Future lease payments are due as follows:		
Within one year	448,809	427,618
One to five years	1,131,499	1,580,308
	1,580,308	2,007,926

Note 16. Employee benefits

	2026 $	2025 $
Current liabilities		
Annual leave	481,741	580,267
Long service leave	122,451	60,692
Parental leave	-	99
	604,192	641,058
Non-current liabilities		
Long service leave	177,994	229,281
	782,186	870,339

Note 17. Other liabilities

	2026 $	2025 $
Current liabilities		
Grants received in advance	4,774,458	5,077,330

If conditions are attached to the grant that must be satisfied before it is eligible to receive the contribution, the recognition of the grant will be deferred until those conditions are met.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the grantor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the grantor. In instances where the grant revenue exceeds the cost of the economic value provided, the surplus funds are deferred and guidance is sought from the grantor for the application of surplus funds.

Note 18. Retained earnings

	2026 $	2025 $
Retained earnings at the beginning of the financial year	256,141	1,899,497
Surplus/(deficit) after income tax expense for the year	548,497	(1,643,356)
Retained earnings at the end of the financial year	804,638	256,141

Note 19. Members' 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 2026 the number of members was 79 (2025:75).

Note 20. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2026 $	2025 $
Aggregate compensation	1,676,045	1,498,974

Non-executive board and committee members volunteer their time, experience and expertise to the Sax Institute without taking payment for their service.

Note 21. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by William Buck, the auditor of the company:

	2026 $	2025 $
Audit services - William Buck		
Audit or review of the financial statements	38,000	39,200

Note 22. Contingent liabilities

As at 30 June 2026 the Institute has outstanding $850,000 (2025: $850,000) as a guarantee for an autopay payroll facility and $193,875 (2025: $259,828) as a guarantee provided by the bank for the lease of office space.

Note 23. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 20.

Transactions with related parties
The following transactions occurred with related parties:

	2026 $	2025 $
Sale of goods and services:		
Sale of services to other related party	72,851	-
Donations from directors	50,500	60,000

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 24. Economic dependency

The Sax Institute is dependent on the NSW Ministry of Health (the 'Ministry') for a significant contribution to fund corporate costs. The Ministry provides funding on a quarterly basis. Funding agreements are entered into for five year periods with the current agreement in effect from 1 July 2023 to 30 June 2028.

Note 25. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

The Sax Institute
Directors' declaration
30 June 2026

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012, the Australian Charities and Not-for-profits Commission Regulation 2022, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

- the company does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Board of directors



Dr I Pollard
Chair of Board of Directors



Dr M McNamara
Executive Director

William Buck
ACCOUNTANTS & ADVISORS

Independent auditor's report to the members of The Sax Institute

Report on the audit of the financial report

Opinion

In our opinion, the accompanying financial report of The Sax Institute has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- giving a true and fair view of The Sax Institute's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

What was audited?

We have audited the financial report of The Sax Institute, which comprises:

- the statement of financial position as at 30 June 2026,
- the statement of profit or loss and other comprehensive income for the year then ended,
- the statement of changes in equity for the year then ended,
- the statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of The Sax Institute in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

William Buck
ACCOUNTANTS & ADVISORS

Other information

The directors are responsible for the other information. The other information comprises the information included in The Sax Institute's directors' report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of The Sax Institute are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*. The directors' responsibilities also include such internal controls as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing The Sax Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate The Sax Institute or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

William Buck
Accountants & Advisors
ABN 16 021 300 521

Dudley Belling
Partner
Sydney, __ September 2026