

The Menzies Foundation

2006 Annual Review



To promote excellence in health research,
education and post graduate scholarship by Australians

CHAIRMAN'S REPORT



The Hon Sir Daryl
Dawson, AC, KBE, CB

This year our Annual Report appears in a new format. It is a lot smaller and easier to handle with the

full financial statements published separately and on our website.

2006 has been a good year financially for the Menzies Foundation. The accumulated funds at 31 December were \$20.61 million compared with \$18.56 million at the end of 2005, a surplus of \$2.05 million (2005: \$1.71 million). The Foundation operates a two tier approach to its investment portfolio: the direct Australian equities portfolio run by the Foundation, based on the recommendations of independent advisers, and two externally managed portfolios (BT Financial Group and Goldman Sachs JB Were Asset Management). The value of the independent portfolio increased by 22% and the net returns for the two managed funds were BT Financial Group (16.88%) and GS JB Were (13.52%).

Support for our core activities in the fields of health research, education and scholarship continued. Funding for the three Menzies centres (the Menzies School of Health Research in Darwin, the Menzies Research Institute in Hobart and the Menzies Centre for Health Policy at the ANU and the University of Sydney) totalled \$375,000. A total of \$92,573 was committed to other activities including the Menzies Oration on Higher Education, the Menzies

Virtual Museum web site, cricket, a forum on the Energy Debate, and the Menzies Memorial Scholars' Association. Funding in 2006 for the various Menzies Scholarships and Fellowships totalled \$228,298.

In June 2006, there was welcome news for the Sir Robert Menzies Memorial Trust, UK, when the Minister for Education, Science and Training, the Hon Julie Bishop MP, announced the Australian Government's \$2 million endowment for the Menzies scholarship programme. This has enabled the UK Menzies Trust, with support from the Foreign and Commonwealth Office and the Menzies Foundation, to offer a Menzies Memorial Scholarship in Engineering in 2007.

The Foundation is fortunate to have as its Council Members eminent Australians. I am delighted to welcome to the Council Professors Terry Dwyer, Kerin O'Dea and John Mathews. All three have made outstanding contributions as Directors of the Menzies Research Institute and the Menzies School of Health Research and I look forward to our continuing involvement with them.

EXECUTIVE DIRECTOR'S REPORT



Professor John
Coghlan, AO

In the Annual Report for 2006 it can be seen from the Chairman's comment and the financial report that the strengthening of our financial position continues.

It should be emphasized again that the \$3 million grant from the Federal Government in 2004 was crucial to this recovery. The funds invested have now more than matched CPI.

Our first Menzies Innovation Grant was approved late in the year for commencement in 2007 and was to the Menzies School of Health Research. This grant is for "Strengthening Indigenous Health Research Capabilities - Phase 1". The proposal is a start to creating some self-sufficiency in health in remote indigenous communities. Dr Anne Lowell, one of our first Allied Health Sciences Scholars, will be involved in the project.

A Forum on the 'Energy Debate' using leading speakers from all facets of this complex field was particularly well received over a wide interest group. Held in association with the Australian Centre for Science, Innovation and Society at the University of Melbourne, it was a very positive outcome for the Foundation.

The new Menzies Centre for Health Policy is finally on the road and, in keeping with past practice, the Foundation has offered the Centre funding for a Senior Menzies Foundation Fellow with special, relevant expertise.

The organisational and administrative requirements for the new Engineering Scholarship are in place. An essential prerequisite for these scholars is an undergraduate engineering degree but, consistent with modern multidisciplinary trends, they may pursue a PhD in any UK University in a wide range of disciplines.

MENZIES SCHOLARSHIPS AND FELLOWSHIPS

Allied Health Sciences

The Sir Robert Menzies Memorial Scholarship in the Allied Health Sciences is at postgraduate level and tenable in Australia. The 2006 awards were made to:

Ms Josephine Barbaro, Bachelor Behavioural Science, La Trobe University. PhD project: "Prospective Identification of Autism Spectrum Disorder in Infancy: The Social Attention and Communication Study".

Miss Jacqueline Barrett, Master of Nutrition and Dietetics, Deakin University; Bachelor of Science (Biomed), Monash University. PhD project: "The Role of FODMAPs in Gastrointestinal Disease".

Ms Anna Dawson, Postgraduate Diploma in International Health, Curtin University; Bachelor of Applied Science (Physiotherapy), University of SA. PhD project: "Investigating predictive factors for low back pain and neck pain in nurses: a prospective study".

Law

The Sir Robert Menzies Memorial Scholarship in Law is awarded to Australian scholars for postgraduate study in the UK. The Scholarship is awarded in association with the Sir Robert Menzies Memorial Trust, London, the Foreign and Commonwealth Office and the Australian Department of Education, Science and Technology. Three awards were made in 2006:

Ms Rowan McRae, BA and LLB (H1), University of Melbourne; class ranking 1/285 and the Supreme Court Prize.

Ms Kate Peterson, BEc (Social Sciences) (H1) and University Medal, LLB (H1), University of Sydney; class ranking 3/316.

Ms Kristin van Zwieten, BA (Distinction), University of Western Sydney, LLB, University of NSW; class ranking 1/328 and University Medal in Law.

Medicine

The CJ Martin/RG Menzies Fellowship is awarded in association with

the NHMRC for postgraduate medical study at approved overseas institutions. The 2006 award was made to:

Dr Adrian Liston, Division of Immunology and Genetics, JCSMR, ANU. Proposed study at the University of Washington is "Genetic characterisation of factors affecting generation of Foxp3+ regulatory T cells".

Harvard

The Menzies Foundation, the Harvard Club of Australia and the ANU jointly sponsor the Robert Gordon Menzies Scholarship to attend a Harvard University Graduate School. In 2006 the award was made jointly to:

Ms Joanna Davidson, BA (H1) and LLB (ranked 3/297), University of NSW: for a LLM at Harvard Law School.

Ms Tracy Slatyer, BPhil (Theoretical Physics) (H1) and University Medal, ANU; for a PhD in Theoretical Physics, Graduate School of Arts and Sciences.



Mrs Heather Henderson (daughter of Sir Robert Menzies) congratulates Menzies Scholars at the annual MMSA dinner held at Clarendon Terrace.

L-R: Rowan McRae, Kate Peterson, Marie Estcourt, Mrs Henderson, Lisa Sthalekar, Jacqueline Barrett, Kristen van Zwieten, Karen Rolton and Josephine Barbaro.

Menzies Centre for Australian Studies Fellowship

Each year the Menzies Centre for Australian Studies, London, in association with the Menzies Foundation, offers a Menzies Foundation Fellowship for work on an Australian subject fitting the Centre's current research interests. The Menzies Foundation Fellow for 2006 and 2007 is Dr Stephen Ashton. Dr Ashton will edit two volumes in the Documents in Australian Foreign Policy series covering Anglo-Australian relations from the early 1960s to the mid 1970s.

Cricket Scholarship

In 2004, as part of the Menzies Foundation's 25th anniversary celebrations, the Foundation joined with Cricket Australia in establishing a Sir Robert Menzies Scholarship for Cricket.

The Menzies Cricket Scholar for 2006 is Ms Lisa Sthalekar, Captain of the NSW team and Australian Vice-Captain for the International series against India in February 2006.

The 2005 award was also made during 2006 to Ms Karen Rolton, a member of the Australian Southern Stars team since 1994 and Captain of Australia in 2006.



Mr Peter West (*right*), British Consul-General, makes a presentation to Mr Iain McNee on his retirement as Principal of Dimboola Memorial Secondary College.

MENZIES MEMORIAL SCHOLARS' ASSOCIATION

The MMSA is gaining momentum as its numbers increase. The annual meeting at Clarendon Terrace included excellent presentations from previous Menzies Scholars William Heath (Law 2004),



Anne Lowell

David Thomas (Law 2005) and Dr Anne Lowell (Allied Health Sciences 1990) on their work, research and experiences.

Following this year's meeting and dinner, former Allied Health Sciences Scholar, Dr Liisa Laakso, wrote that it was "a great opportunity to meet new scholars or re-acquaint ourselves with fellow scholars and friends.

The meeting is like coming home when we congregate in the beautiful surroundings of Clarendon Terrace." Six former Menzies Scholars are members of the Menzies Foundation's Board, including the current President (Dr Deborah Walsh) and Secretary (Frances Williams).

Menzies Centenary Prize

The MMSA jointly funds, with the Foundation, the Menzies Centenary Prize which is awarded annually to an outstanding student from Dimboola Memorial Secondary College to mark the centenary of Sir Robert's birth in Jeparit.

In 2006, the award was made to Jordan Bell, who achieved an ENTER score of 91.60 in the VCE. Jordan will study engineering at Monash University.



Jordan Bell



THE ENERGY DEBATE > Climate Change and Energy Options for Australia

With the climate heating up, vigorous debate has opened in Australia about how to power the country - is nuclear energy the answer, can fossil fuels be rendered clean, or do we need to seriously invest in renewable technologies using sun, wind and water?

The "Energy Debate - Climate Change and Energy Options for Australia" brought together prominent thinkers from across the spectrum, to examine, explain and argue their vision for the energy future of Australia.

The meeting was held at The University of Melbourne on 23 August 2006 in association with the Australian Centre for Science, Innovation and Society and attracted over 100 delegates.

Proceedings of this one day forum incorporating audio with synchronized PowerPoint presentations and a verbatim transcript are available on CD from the Menzies Foundation.

Order form is available from www.menziesfoundation.org.au.

MENZIES HEALTH RESEARCH CENTRES



- The Menzies School of Health Research (MSHR) attracted income of almost \$17million in 2006 including \$5.4 million in competitive National Health and Medical Research Council (NHMRC) grants.
- MSHR's newly appointed Director, Professor Jonathan Carapetis, took up his position in April 2006.
- Planning commenced for the development and implementation of the new MSHR 2007-2011 Strategic Plan.



Elizabeth Heenan and baby Joan sign the "Thank You" Day card at MSHR to celebrate Australia's health and medical research achievements.

- Publication of evidence that health care and health status of Indigenous Australians is starting to head in the right direction: mortality rates from many chronic diseases are slowing in Indigenous adults and cervical screening programs are reaching more Indigenous women.
- Six MSHR students completed their PhD theses during 2006, including one of MSHR's Indigenous students, Dr Yin Paradies.
- Publication in The Lancet of an important study documenting the effectiveness of specialist outreach services to Aboriginal communities.
- Publication of Australia's first national guidelines for management and control of rheumatic heart disease: a culmination of more than a decade of research led by MSHR.
- Two staff - Dr Rebecca Towers and Associate Professor Ross Andrews - were successful in NHMRC Postdoctoral Training Fellowships and seven new PhD students gained NHMRC or APA scholarships.
- MSHR's Kate Mounsey was awarded the 2006 NT Young Achievers Science and Engineering Award.
- Professor Bart Currie was named a finalist for the Northern Territory Australian of the Year.
- Professor Jonathan Carapetis was named as one of Australia's top-ten "bright sparks" by COSMOS Magazine and research led by him was listed as one of "Ten of the Best" government-funded projects in Australia by the NHMRC.



- In June 2006 The Menzies Research Institute (MRI) officially launched the Growth Strategy, which aims to consolidate its position as Tasmania's premier medical research facility. The strategy will build critical mass, resulting in one central and significant institute based at the University of Tasmania focusing on medical research.
- Plans for a new building to accommodate the MRI along with the School of Medicine are well underway, with the \$47.3 million facility expected to be completed in early 2009.
- The cancer research capability of the MRI is continuing to expand thanks to a new injection of funds from The Cancer Council Tasmania (CCT). The CCT will provide a three-year, \$345,000 grant to establish the first dedicated cancer research position at the Institute.
- Continued success in cancer research funds includes a \$1.2 million grant from the Australian Cancer Research Foundation for a new cancer centre.
- The Institute has been awarded US \$2 million in funding from the Atlantic Philanthropies to establish a system to monitor the growing problem of non-communicable diseases (NCDs) in Viet Nam. In developing nations such as Viet Nam, the burden of NCDs has taken over from traditional

problems of infectious diseases like malaria and tuberculosis, and disorders due to under-nutrition and deficiencies.

- MRI's Tasmanian Cancer Registry published statistics demonstrating that lung cancer is now the biggest cancer killer of women in Tasmania, overtaking bowel and breast cancer, attracting state wide media attention.
- A team from MRI has discovered that knee cartilage defects, a common precursor to osteoarthritis, are associated with a decrease in the amount of cartilage which cushions the bones in a person's knee.
- Ground-breaking research into osteoporosis at the MRI has provided encouraging news for those at risk of developing the debilitating bone condition. Over the past three years researcher Dr Tania Winzenberg has shown that improving education and feedback for target groups can lead directly to increased bone density and better preventative behaviour.
- A new program at MRI is providing opportunities for undergraduate students at the University of Tasmania to participate in biomedical research. In 2006 five students were selected from a high quality field of applicants to participate in the Undergraduate Research Opportunities Program (UROP), in which students undertake a project that is part of a research program at the Institute.

MENZIES CENTRE *for* HEALTH POLICY

The following events have been conducted during the first year of operation for the Menzies Centre for Health Policy:

- Launch of Centre, in Canberra on 3 March, by His Excellency the Governor-General.
- Inaugural Menzies Health Policy Oration delivered by Mr Andrew Podger AO, March 2006.
- Seminar 'Future Directions in Health Policy', April 2006, with keynote address by Professor Dan Fox, Millbank Foundation, USA.
- 'Menzies Winter Series' lectures by Mr Paul Gross 'The Policies Needed to Achieve Health Security in Australia'.
- Inaugural 'Emerging Health Policy Research' seminar (October 2006): an opportunity for young researchers in health policy to present their work. Opening address by Ms Julia Gillard, MP.
- Graduate Certificate in Health Policy (USyd); Dr Jim Gillespie convenor, commenced Semester 1, 2006.
- NHMRC Program Grant - \$3.5m over 5 years:
 - Serious and Continuing Illness Policy and Practice Study (SCIPPS);
 - Study in ACT and Western Sydney to determine health system barriers to best care for: diabetes, heart disease, and COPD.



The Menzies Centre for Health Policy was launched by His Excellency, Major General Michael Jeffery AC CVO MC, Governor General of the Commonwealth of Australia, at Old Parliament House, Canberra on 3 March 2006

- Research collaborations with Monash University, Flinders University, University of NSW in areas such as: rural health, health workforce and biosecurity.
- Formal affiliations: Oxford Health Alliance; Millbank Foundation; Sax Institute; WHO Global Research Network.
- Research partnerships: NSW Health; ACT Health; Australian Divisions of General Practice; Several divisions of General Practice; NSW area health services in Western Sydney and Southern NSW; CSIRO.
- Conducted reviews, eg Cancer research in Victoria, hospital and university research centres.
- Chair national and state policy committees, eg for Australian Health Ministers' Advisory Council and NSW committees in areas of health policy and planning.
- Keynote speakers on health policy matters at various national forums and public events.

THE MENZIES ORATION ON HIGHER EDUCATION

The 2006 Oration entitled "Undergraduate Education: What Good is it? An International Perspective" was delivered by Professor James Wilkinson, Director of the Derek Bok Centre for Teaching and Learning, Harvard University. The timely Oration was extremely well received. The full text of Professor Wilkinson's address is available at the Menzies Foundation's web site at:
www.menziesfoundation.org.au.

The Oration has been presented annually since 1991 at the University of Melbourne in conjunction with a higher degree graduation ceremony. The choice of this University as the venue for the Oration recognises the eminent role played by Sir Robert as its Chancellor from 1967 to 1972 and his contribution to the development of Universities and higher education in Australia.

The Menzies Foundation medal, specially struck by the Royal Australian Mint, is presented to each Orator. In 2006 the presentation was made by Sir Robert's grandson, Mr Alec Menzies.



CRICKET

The Menzies Foundation has been involved in various cricket activities since its inception in 1979.

In recognition of Sir Robert Menzies' role in establishing the Prime Minister's XI cricket matches in 1951, the Menzies Memorial Cricket Trophy is provided for the PM's XI matches.

The trophy, designed by Stuart Devlin, depicts eleven cricketers in various aspects of the game. On 10 November 2006 the first match of the much awaited Ashes series began with the Prime Minister's XI taking on the touring English team at Manuka Oval, Canberra.

The Menzies Memorial Trophy was presented by the Prime Minister, the Hon John Howard, MP to Cameron White, Captain of the PM's XI following his team's victory over England.



Prime Minister,
the Hon John
Howard, MP and
Sir Daryl Dawson



The Foundation also provides a medallion for presentation to the man-of-the-match.

On this occasion it was presented to batsman Phil Jaques who made 112 from 110 deliveries.

DIRECTORS

The Hon Sir Daryl Dawson, AC, KBE, CB
Chairman

Mr B J Doyle, *Deputy Chairman & Secretary*

Mr B Jamieson, *Treasurer*

Ms B G Gibson

The Hon Sir Guy Green, AC, KBE

Mr R A Illingworth

Mr C P H Kiefel

Professor S Maddocks

Mr J L McLachlan

Ms E C Menzies

Associate Professor D A F Morgan

Dr D-A Walsh

Ms F M Williams

Profile of Directors available at
menziesfoundation.org.au.

COUNCIL MEMBERS

Mr B G Atkinson, AM

Professor M I Bullock, AM

Mr M H Codd, AC

The Rt Hon Sir Zelman Cowen, AK,
GCMG, GCVO

Professor T Dwyer, AO

Mr P G F Henderson, AC

Mr R J Hornsby

Dr T H Hurley, AO, CBE

Professor S R Leeder, AO

Professor J D Mathews, AM

Professor K O'Dea, AO

Professor R Porter, AC

Mr A P Sheahan

The Rt Hon Sir Ninian Stephen, KG, AK,
GCMG, GCVO, KBE

Mrs J M Trethewey, OAM

Sir William Vines, AC, CMG

Professor P L Waller, AO

Mr R J White, AO

Dr E C Wigglesworth, AM

KEY FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2006

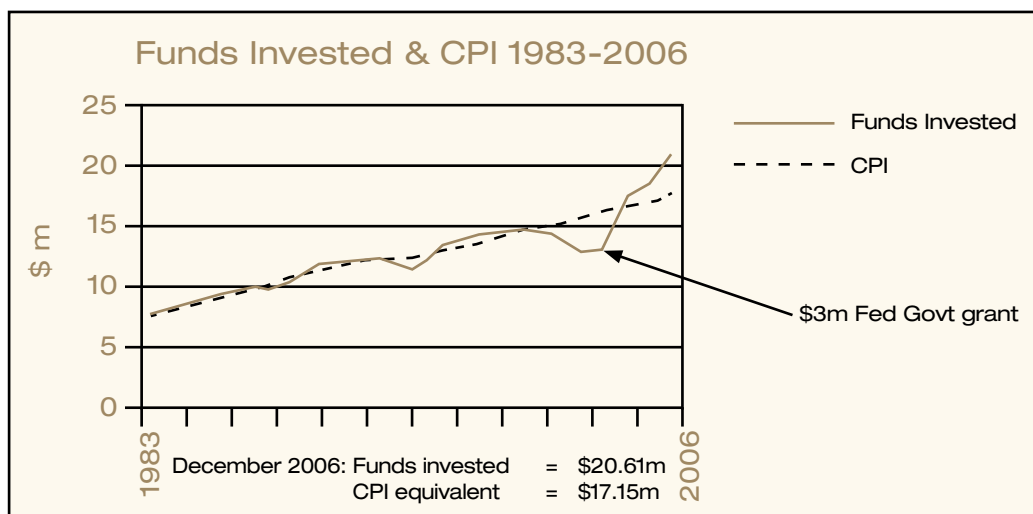
Income Statement

| | 2006 | 2005 |
|---|-------------------------|-------------------------|
| | \$ | \$ |
| Revenue from continuing activities | 3,222,329 | 2,829,483 |
| Expenses from continuing activities | | |
| Menzies Health Research Centres | (375,000) | (369,795) |
| Scholarships and fellowships | (228,298) | (247,339) |
| Other Memorial Activities | (92,573) | (78,393) |
| Salaries and salary on-costs | (219,650) | (201,933) |
| 25th Anniversary Activities | - | (3,759) |
| Other expenses from ordinary activities | (253,123) | (217,899) |
| Surplus from ordinary activities | <u>2,053,685</u> | <u>1,710,365</u> |
| Net surplus | <u>2,053,685</u> | <u>1,710,365</u> |
| Total increase in accumulated funds | <u><u>2,053,685</u></u> | <u><u>1,710,365</u></u> |

Balance Sheet

| | 2006 | 2005 |
|-------------------------------|--------------------------|--------------------------|
| | \$ | \$ |
| Current assets | | |
| Cash and cash equivalents | 166,407 | 365,701 |
| Receivables | 38,029 | 169,004 |
| Investments | 20,526,017 | 18,126,163 |
| Other | 10,812 | 26,586 |
| Total current assets | <u>20,741,265</u> | <u>18,687,454</u> |
| Total assets | <u>20,741,265</u> | <u>18,687,454</u> |
| Current liabilities | | |
| Payables | 24,043 | 37,009 |
| Provisions | 94,435 | 82,226 |
| Total current liabilities | <u>118,478</u> | <u>119,235</u> |
| Non-current liabilities | | |
| Provisions | 4,380 | 3,497 |
| Total non-current liabilities | <u>4,380</u> | <u>3,497</u> |
| Total liabilities | <u>122,858</u> | <u>122,732</u> |
| Net assets | <u><u>20,618,407</u></u> | <u><u>18,564,722</u></u> |
| Accumulated Funds | <u><u>20,618,407</u></u> | <u><u>18,564,722</u></u> |

The audited 2006 financial reports are published separately and are available at www.menziesfoundation.org.au or by contacting The Menzies Foundation.



THE MENZIES FOUNDATION

ABN 43 008 543 897



The Rt Hon Sir Robert Menzies,
KT, AK, CH, FRS, QC
Prime Minister of Australia
1939-1941 and 1949-1966

The Sir Robert Menzies Memorial Trust was formed in 1978 and its public appeal raised \$6.2 million. The funds were invested and a non-political, not-for-profit organisation called the Sir Robert Menzies Memorial Foundation was established in 1979.

THE SECRETARIAT

Executive Director (Part time):

Professor John Coghlan, AO, DSc, HonMD (NSW)

General Manager (Full time):

Ms Sandra Mackenzie, OAM, BA, BLitt(Hons)

Web Site/Administration (Part time):

Ms Pam Shearman, Shearman Office Support

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E menzies@vicnet.net.au

I menziesfoundation.org.au

I menziesvirtualmuseum.org.au

DONATION FORM

I would like to make the following contribution to the work of the Menzies Foundation.

DONATIONS TO THE MENZIES FOUNDATION ARE TAX DEDUCTIBLE

Name:

Address:

.....

..... Postcode:

Telephone (optional):

Amount to be donated: \$

\$25 \$250 \$2,500 \$25,000

Enclosed is my cheque payable to The Menzies Foundation

Please debit my credit card Visa Mastercard

Card No.

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Expiry date: /

Name on card:

Authorising Signature:

Bequest:

Please forward information on how to make a bequest to the Menzies Foundation in my Will.

THANK YOU FOR YOUR VALUABLE CONTRIBUTION

