

## Chairman's Report 2003



2003 marked an important milestone for the Sir Robert Menzies Memorial Foundation. Twenty-five years ago on 16 May, 1978 – one day after the death of Sir Robert Menzies – Prime Minister Malcolm Fraser announced in Parliament that there would be a memorial Trust to commemorate Sir Robert Menzies and that Sir William Vines would be its Chairman. The Sir Robert Menzies Memorial Trust was formally incorporated on 8 November 1978 with the task of raising money to create a memorial that would be of benefit to all Australians. In the following months the public appeal raised \$6.2 million and the Trust established, as its first and principal memorial, the Sir Robert Menzies National Foundation for Health, Fitness and Physical Achievement. The Foundation's National Committee, under the Chairmanship of Sir Edward Hughes, first met on 19 September, 1979.

There have of course been administrative changes over the past 25 years, including the amalgamation of the Sir Robert Menzies Memorial Trust and the Sir Robert Menzies National Foundation in December 1987 to become the Sir Robert Menzies Memorial Foundation

Limited. The basic aims, however, of our founders – to create and then maintain and administer forms of non-political, permanent memorials to Sir Robert Menzies – have remained. The Foundation is committed to continuing its work in perpetuity and the \$6.2 million originally raised has grown to \$12.4 million at 31 December 2003 with approximately \$20 million having been expended on a program of work in health research, education and scholarship.

In 2003, our core activities in these fields continued as lasting and worthwhile memorials to Sir Robert Menzies. Funding for the two Menzies health research centres – the Menzies School of Health Research in Darwin and the Menzies Research Institute in Hobart (formerly the Menzies Centre for Population Health Research) – totalled \$200,000 and \$216,280 was expended on the various Menzies Scholarships and Fellowships. A total of \$78,689 was committed to other activities including the Menzies Oration on Higher Education, the Menzies Foundation Lecture, the Menzies Virtual Museum web site, Museum Victoria and the Menzies Memorial Scholars Association.

Regrettably, because of the poor return on our investments in 2002, we were unable to commit funds to any new activities in 2003 and redemptions from the investment funds to cover expenditure were reduced to \$0.71 million (2002: \$0.75 million). The operating expenses were in line with the reduced budget approved by the Board at the commencement of the year. I am pleased to report, however, that the three investment managers – Credit Suisse Asset Management, Goldman Sachs JB Were Asset Management and Westpac Investment Management (now BT Financial Group) – made positive returns on our investments during 2003. Accumulated funds at 31 December were \$12.42 million (2002: \$12.33 million) and the operating surplus was \$94,095 (2002: deficit \$1.84 million). Although there are signs of economic improvement in 2004, at its November 2003 meeting the Board agreed that, in order to maintain our capital base, it was prudent to hold the 2004 budget at a level of \$0.75 million.

The past two years have called for some difficult budgetary restraints and I thank the Board and the Secretariat for their commitment to the task.

At the annual Board and Menzies Scholars' dinner held in "Clarendon Terrace" I had pleasure in presenting the

Mészáros Menzies medallion to this year's Menzies Scholars and to Mr Peter Henderson, AC, who retired from our Board of Directors on 28 November. Peter joined the Board on 9 June 1981. He brought with him not only his knowledge as a senior public servant in Canberra – at that time he was Secretary of the Department of Foreign Affairs – but, as the son-in-law of Sir Robert Menzies, an instinct for what Sir Robert himself would have thought about the program of work the infant Foundation was to embark upon. His guidance has been invaluable.

We are also grateful to Mrs Heather Henderson for her continuing support of the Foundation and her personal contributions to the Menzies Virtual Museum web site. On behalf of the Foundation, I offer them both our thanks and welcome their daughter, Edwina Menzies, who has now joined the Board.

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



*Mr Michael Mészáros, Ms Edwina Menzies and Mr Peter Henderson following the presentation of the Life Membership medallion to Mr Henderson.*



**Kenneth H. Spencer, AM  
1937-2004**

As this Annual Report goes to press, we have been shocked and saddened by the news of the death of our Director, Ken Spencer on 31 March, 2004. Ken was a Director of the Foundation since 1998 and was Chairman of our Finance Committee. Like several other organisations where he was a Director, we will miss his wise counsel on financial and accounting matters. He gave willingly and generously of his time and expertise to both the Board and the Secretariat. As a former Chairman of the Australian Accounting Standards Board, he was a world leader in his profession and this was appropriately recognised in 2002 when he received an AM in the Australia Day Honours list “for service to the accountancy profession, particularly through the pursuit and development of an internationally accepted set of accounting standards”. On behalf of the Board and the Secretariat, I offer sincere condolences to his wife Carolyn and his children Susan, Meredith and Ashley and their families.

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

# Report from the Menzies School of Health Research, Darwin

Prepared by Professor Kerin O'Dea, Director



*"Our vision is to improve the health of the people of northern and central Australia, and regions to the near north, through multidisciplinary research and education."*

2003 has been a year of success, opportunity, challenge and change.

MSHR has continued to strengthen and grow at an exciting rate with the generation of increased external grant funding. Funding was awarded on a competitive basis to over 20 MSHR projects covering a broad range of research including scabies, rheumatic fever, tuberculosis, diabetes, malaria, kidney disease, lung disease and melioidosis, as well as research into a variety of social and economic factors affecting Indigenous health.

In 2003 MSHR was awarded almost \$10 million in NHMRC funding for project grants, scholarships and fellowships which are to commence in 2004. This is a new record for MSHR and demonstrates our reputation for excellence in research and our commitment to making a difference in the areas of Aboriginal and tropical health.

Some achievements are worthy of special mention:

- The NHMRC awarded a grant (\$2.3 million) to an MSHR research team led by Associate Professor Joan Cunningham and Associate Professor Ross Bailie, to build capacity in policy relevant to quantitative, social analysis and research in Indigenous health.
- The MSHR international research team, led by Associate Professor Nick Anstey, was awarded a Wellcome Trust/ NHMRC Grant (\$3.1 million) to undertake research to examine new combinations of drugs in the treatment of the most severe forms of malaria, a disease which kills many thousands of people each year throughout our region.
- Associate Professor Ross Bailie was awarded a prestigious NHMRC Research Fellowship and Associate Professor Joan Cunningham and Dr Amanda Leach were awarded NHMRC Career Development Awards.

All of these achievements demonstrate MSHR's position as a national leader in Indigenous, remote and tropical health research and education.

Other highlights for 2003 include:

- PHERP funding (Public Health Education and Research Program) was granted for our Master of Public Health Course for a further two years. During 2003, we had 65 students enrolled each semester in the MSHR Public Health Coursework program. In addition, MSHR had 36 research students enrolled through seven universities, as well as five PhD graduates and two students enrolled in a BSc Honours program.
- Dr Sandra Eades, one of Australia's foremost Indigenous researchers, joined MSHR as a Principal Research Fellow. She is a member of the NHMRC Research Committee and chairs the NHMRC Indigenous Health Research Panel.
- Renewed Commonwealth funding of \$23 million over seven years for the new Cooperative Research Centre in Aboriginal Health (CRAH) has allowed us to enhance our strategic alliances with other organisations with an interest in Indigenous health. The new CRC is greatly expanded from the previous CRC, with the number of core partners increased from six to 12.

- The launch of the new MSHR website ([www.menzies.edu.au](http://www.menzies.edu.au)) which provides a dynamic medium to interact with our research partners, students and others with an interest in Indigenous and tropical health research.
- The selection of two MSHR researchers in the Bulletin's "Smart 100" list of Australians making a difference to performance in their respective fields – Professor Kerin O’Dea and Dr Sandra Eades were in the “top 10” for the health and medicine category.



*Dr Sandra Eades*

- The signing of a Memorandum of Understanding with the University of Queensland to facilitate the recruitment of high quality research students.

2003 has also brought many changes to our institution as discussions took place around a model to formalise links between MSHR and Charles Darwin University (CDU).

After extensive negotiations, including a review by independent consultants, legislation was passed by the NT Government that MSHR become a controlled entity of CDU. MSHR will retain its independent Act of Parliament which guarantees the organisation's autonomy into the future. MSHR has become a School within CDU's Institute of Advanced Studies and in the medium to long term will gain the benefits of increased access to funding from the Commonwealth for research infrastructure.

I would like to put on record my appreciation for the time and efforts of all MSHR staff and Board Members who supported the organisation through this challenging period of change whilst continuing to achieve significant research success.

Finally, I would like to acknowledge the continued support of the Menzies Foundation, and the valued contribution of Professor Simon Maddocks as Deputy Chair of the MSHR Board. We are proud that our ongoing partnership with the Menzies Foundation continues to underpin our vital work for the improved health of the Indigenous population and impact the national health research agenda.

# Report from the Menzies Research Institute, Hobart

Prepared by Professor Terry Dwyer, AM, Director



The Menzies Research Institute had an extremely successful and satisfying 2003, particularly in relation to growth and exciting expansion opportunities that have resulted from:

- A change in the scale and number of research projects;
- The increased range of projects, facilitated by the Genetic Epidemiology Unit and the rapid advances in genetic technology that have made it possible to undertake population-based genetic studies and search for genes that cause disease;
- Further development of international collaborative links through, for example, the World Health Organisation; and
- Increased funding from competitive grants.

The year commenced with a commitment to deliver a progressive Strategic Plan for the period 2004 to 2008 that would build upon the successes of the Institute over the

past fifteen years and guide the direction of the Institute over the next five years. Staff input was central to the development of the plan with an Institute-wide workshop that focused on the opportunities and actions to be pursued in order to achieve growth targets, covering both current research strengths and potential areas for diversification.

A number of administrative and organisational restructures that arose from the planning exercise have been implemented, including the appointment of several new staff members to fulfil research and administrative support objectives.

A major achievement of the Institute was being awarded a \$2.5 million National Health and Medical Research Council (NHMRC) research capacity building grant. This injection of funding is pivotal to the goals of the Institute and will allow considerable growth that will consolidate the organisation's competitiveness on both the national and international fronts.

The project will investigate disease aetiology over a five-year period. It will use our cohort studies to identify genetic, environmental and behavioural determinants of disease in our island setting with advantages for epidemiological work, and with additional genealogical data available at the individual level. The funding enables the Institute to employ seven key postdoctoral researchers and two visiting scientists, and to enhance the research output of the Institute with specific and needed expertise.

Professor David W. Hosmer, current Professor of Biostatistics at the University of Massachusetts, USA, and his wife, Trina commenced appointments as visiting scientists. Professor Hosmer will spend nine months at the Institute to enhance the skills of the Biostatistics Unit and develop techniques for estimating gene environment interaction in cohort study data.

External funding achieved through competitive sources has been extremely satisfying. Particularly exciting is the significant injection of \$7.5 million from Atlantic Philanthropies to assist in the construction of a new building for the Institute. Financial support for the new building has also been received from the University of Tasmania and a commitment from the Tasmanian Government. A project manager to oversee the design and construction will be appointed in 2004.

Researchers have again had success through the NHMRC funding process. In 2003, the NHMRC awarded over \$1.19 million to the Institute. This research income will be shared across three projects commencing in 2004.

The majority of the funding will allow expansion of the Tasmanian Older Adult Cohort (TASOAC), with this grant helping to increase understanding of the factors influencing the development and progression of osteoarthritis.

The other two projects supported by the NHMRC are a study of the effect of low-yield cigarettes on lung function and a longitudinal study of bone development in children.

Other significant funding received by the Institute in 2003 included:

- Department of Veterans' Affairs (\$274,000), to complete a study into the effects of sun exposure and genes on the risk of prostate cancer;
- National Heart Foundation and the Tasmanian Community Fund, to assist in the expansion of the Childhood Determinants of Adult Health study;



Research Assistant, Sheryl Lunt completes an ultrasound for the Childhood Determinants of Adult Health Study.

- Cancer Council of Tasmania and the University of Tasmania, to commence a pilot study that aims to determine how biological, genetic and lifestyle factors contribute to the risk of developing second and subsequent non-melanoma skin cancers; and
- Royal Hobart Hospital Research Foundation to assist a number of projects, including mechanisms of osteoporosis and vertebral fractures in rheumatoid arthritis, and the MSR1 gene and the risk of prostate cancer in the Tasmanian population.

On the international front, the Institute completed several workshops throughout the Western Pacific Region in our role as technical supporters for the World Health Organisation (WHO) STEPS surveillance system for cardiovascular diseases (CVD). The role of assisting our colleagues in the region to plan and implement programs for the prevention and control of CVD and diabetes is extremely rewarding. Funding from Atlantic Philanthropies and WHO has allowed the Institute to further expand our role within the Western Pacific region and extend activities into south-east Asia, particularly Vietnam.

In late 2003 the Institute hosted delegates from Canada, Italy and the United States to discuss work on the global international study of Genes, Environment and Melanoma (GEM). The meeting was extremely successful, with several new studies proposed as a result of discussions around early data analyses.

Incorporation of the Institute was not finalised in 2003, although there were positive developments in negotiations with the University of Tasmania.

Discussions centred on the Institute's constitution and organisational structure that would provide for expanded links with clinicians and the medical school. It is expected that the Institute will be incorporated in 2004. In recognition of the move to incorporation, the new name "Menzies Research Institute" has been introduced with a new corporate style to signify the future direction of the Institute.

The Menzies Research Institute has developed and grown significantly since it was founded in 1987 by the Sir Robert Menzies Memorial Foundation and the University of Tasmania. The Institute is well positioned to meet future challenges and opportunities that will maintain the growth and momentum of the Institute and to foster leading-edge research that is globally significant.

# The Menzies Virtual Museum Web Site



During 2003, the Secretariat has continued to develop the Menzies Virtual Museum web site ([www.menziesvirtualmuseum.org.au](http://www.menziesvirtualmuseum.org.au)) following its launch last year by the Hon John Howard, MP, Prime Minister of Australia. The web site is an educational resource documenting the life and achievements of Sir Robert Menzies and takes the form of a time line spanning Sir Robert's life from 1894 to 1978. The time line incorporates Australian and world events to help keep the Menzies years in context, and includes multimedia resources such as historical photographs, sound and film clips and 25,000 words of supporting text.

The Menzies Virtual Museum web site has had 50,000 visitors and 2.5 million "hits" (files requested from the server) since it was launched in September 2002. The statistics indicate that the site is visited most during school terms with the highest number of visitors in May 2003. Anecdotal evidence suggests that this was due to a primary school project on notable Australians. Information regarding the site has been widely disseminated to teachers, particularly history teachers, and to the wider community through historical societies and general advertising.

Enhancements during 2003 include the upgrading of the search engine, a comprehensive site map to assist with navigation to the multi-media resources such as audio and film clips, the "re-streaming" of film clips; and the addition of the 37 "Forgotten People" essays broadcast by Sir Robert in 1942.

Of special interest is the addition of photographs generously provided by Mrs Heather Henderson from the Menzies family collection. Many, like the one reproduced here, depict Sir Robert in his proud role of grandfather.



*Sir Robert and Dame Pattie Menzies with their first grandchild, Alexander Robert Menzies (1951).*

# The Menzies Foundation Lectures

Since 1999, the Foundation has sponsored ten Menzies Foundation Lectures on health-related themes. In 2003, the Lecturer was Dr Ronald McKay, Head of the Laboratory of Molecular Biology, National Institute of Neurological Disorders and Stroke, National Institutes of Health, USA. The free public lecture entitled “Stem Cells and Tissue Repair” was held in association with the First National Stem Cell Centre Scientific Conference. Dr McKay is an internationally renowned scientist who is a forerunner in the area of stem cell research. The recent scientific advances from his laboratory are amongst the most promising for stem cell based treatments of diseases such as Parkinson’s disease and diabetes.

Previous Menzies Foundation Lecturers have been:

**Year** 2002

**Lecturer** Prof Colin Blakemore  
Professor of Physiology, University of Oxford

**Title** “From Mad Cow to Mobile Phone: how should we deal with risk?”

**Lecturer** Prof Nigel Morgan  
University of Oslo

**Title** “Health and Medicine in Medieval Art and Culture”

**Year** 2001

**Lecturer** Prof Sir Philip Cohen  
Professor of Biochemistry, University of Dundee.

**Title** “How Biochemistry can Transform the Economy”

**Lecturer** Prof Christopher Mathias  
Institute of Neurology, University College, London.

**Title** “Living with Spinal Cord Injuries”

**Lecturer** Prof Lord Winston  
Professor of Fertility Studies, Imperial College School of Medicine, London.

**Title** “Science and Ethics in the 21st Century”

**Year** 2000

**Lecturer** Prof Susan Greenfield  
Professor of Pharmacology, Oxford University.

**Title** “The Future of the Mind”

**Lecturer** Prof Al Sommer  
Dean of the School of Medicine and Public Health, Johns Hopkins University.

**Title** “World Blindness and the Global Initiative”

**Year** 1999

**Lecturer** Ms Laurie Garrett  
former President of the National Association of Science Writers.

**Title** “The Global Fight Against Disease”

**Lecturer** Dr Mark Schena  
TeleChem International Inc., California.

**Title** “Current and Future Trends in the Application of DNA Microarray Technology”



*Dr Ronald McKay is pictured with Ms Sandra Mackenzie, General Manager, The Menzies Foundation and Professor Alan Trounson, Global Strategic Science Advisor, National Stem Cell Centre, Monash University.*

# The Menzies Oration on Higher Education

Sir Robert Menzies considered that his contribution to the development of Universities might prove to be amongst the most lasting of his achievements for Australia. In recognition of this vision and in order to strengthen the role of higher education in Australia, the University of Melbourne and the Foundation established in 1991 the Sir Robert Menzies Oration on Higher Education.

The theme for the Oration is higher education policy and practice in Australia both in view of its national importance and also because of Sir Robert's attachment to both the extension of higher education and the wise development of it. The intention is for each Oration to be a contribution to intellectual debate in Australia.

Previous Menzies Orators have been:

2002	<b>Dr Bernard Shapiro</b> <i>McGill University</i>
2001	<b>Dr John Hood</b> <i>The University of Auckland</i>
2000	<b>Professor Sir Alec Broers</b> <i>The University of Cambridge</i>
1999	<b>Sir Guy Green</b> <i>Governor of Tasmania</i>
1998	<b>Lord Dearing</b> <i>The University of Nottingham</i>
1997	<b>Professor Wang Gungwu</b> <i>The National University of Singapore</i>
1996	<b>Professor Sir Stewart Sutherland</b> <i>The University of Edinburgh</i>
1995	<b>Professor Brian Wilson</b> <i>The University of Queensland</i>
1993	<b>Professor Henry Rosovsky</b> <i>Harvard University</i>
1992	<b>Professor Emeritus Peter Karmel</b> <i>Australian National University</i>
1991	<b>Professor David Penington</b> <i>The University of Melbourne</i>

The Oration is presented annually 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 a Menzies Foundation medal, specially struck by the Royal Australian Mint, is presented to each Orator.

The 2003 Oration entitled "Some Heretical Ideas about Universities" was delivered by Professor Alan Gilbert, Vice-Chancellor of The University of Melbourne on 9 October.

Professor Gilbert warned that the values traditionally placed on knowledge for its own sake may be abandoned, along with the idea of universities as civilising institutions and that "the notion that the pristine idea of a university is realised only in universities totally dependent on public funding is a dangerous policy premise". The full text of the oration is available at [www.unimelb.edu.au/speeches](http://www.unimelb.edu.au/speeches).

The Foundation was represented by Professor John Coghlan, its Executive Director, Ms Sandra Mackenzie, General Manager and Mr Alec Menzies, grandson of Sir Robert, who presented the Menzies Foundation Medal to Professor Gilbert.



Professor Alan Gilbert delivering the 2003 Menzies Oration on Higher Education. (Photograph courtesy "Uni News")

# The Sir Robert Menzies Memorial Fellowships and Scholarships for 2003

## NHMRC/RG MENZIES FELLOWSHIP

In 1996, the Foundation made the inaugural contribution of \$50,000 per annum to the National Health and Medical Research Council's (NHMRC) CJ Martin/Neil Hamilton Fairley Fellowships with one of the Fellowships to become known as the NHMRC/RG Menzies Fellowship. These Fellowships are available for postgraduate medical study at approved overseas institutions with tenure for up to four years. Two years are spent in the overseas country followed by two years back in Australia. The Foundation has also made available a supplementation of \$5,000 for each of the four years of the award for activities associated with the NHMRC/RG Menzies Fellowship, e.g. conference travel.

The 2003 NHMRC/RG Menzies Fellowship was awarded to Dr John Pimanda from the Centre of Vascular Research, University of New South Wales. John will take up his Fellowship in 2004 at the University of Cambridge in the Department of Haematology. His proposed study is "Transcriptional control of stem cell identity and development".



*Dr John Pimanda*

## SIR ROBERT MENZIES MEMORIAL SCHOLARSHIPS IN LAW

The Sir Robert Menzies Memorial Trust in London, with the support of the Foreign and Commonwealth Office and of the Sir Robert Menzies Memorial Foundation in Australia, offers to Australians post-graduate scholarships in law for tenure at universities in the United Kingdom.

There were 42 applications for the three law scholarships that were available this year. One application was returned because the candidate had not completed her law degree at the time of application. The remaining applications were

then forwarded to a panel for ranking. The eight most highly ranked candidates were invited for interview in Melbourne on 13 October, 2003. The Selection Committee was the Hon Sir Daryl Dawson (Chairman), the Hon Justice Susan Kenny (Federal Court and Menzies Scholar), Professor Gillian Triggs (University of Melbourne) and Ms Louise Goold (Education Manager, British Council, representing the British Consul General and the Foreign and Commonwealth Office).

The Sir Robert Menzies Memorial Scholarships in Law were awarded to:

Mr William Heath who holds the degrees of LLB with First Class Honours and BA with First Class Honours (2002) from the University of Melbourne. Mr Heath will take up his two year scholarship at Oxford University where he will study for the BCL/MPhil commencing in October 2004;

Ms Premala Thiagarajan who holds the degrees of LLB with First Class Honours (2002) and the Supreme Court Prize and BA (1999) from Monash University. Ms Thiagarajan will take up her one year scholarship at Oxford University where she will study for a BCL commencing in October 2004; and

Ms Nicole Tyson who holds the degrees of BA/LLB with First Class Honours in Law (2000) and the University Medal from the University of Tasmania. Ms Tyson will take up her one year scholarship at Oxford University where she will study for the Master of Studies in Legal Research commencing in October 2004.



*Law Scholars William Heath, Nicole Tyson and Premala Thiagarajan were presented with the Mészáros Menzies medallion at the Menzies Scholars Dinner on 27 November 2003.*

## SIR ROBERT MENZIES MEMORIAL RESEARCH SCHOLARSHIP IN THE ALLIED HEALTH SCIENCES

This research scholarship, which is valued at \$24,000 per annum for each of two years, is open to graduates in any of the health sciences who have enrolled for a PhD in an Australian University and who have completed the first stage of their doctoral program. As in previous years, the Foundation is grateful for the support of the final selection committee and the assessors who are nominated by the respective disciplines to grade the applications in terms of topic, relevance and methodology.

In 2003 the scholarship attracted a field of 35 candidates and the disciplines included physiotherapy, speech pathology, psychology, nursing, human movement studies, occupational therapy, nutrition and podiatry.

Four candidates were invited to attend for interview in Melbourne on 14 August, 2003. The interview panel consisted of Professor John Coghlan (Chairman), Professor Robyn O'Hehir, Professor Alison Perry and Professor Susan Paxton.

The Sir Robert Menzies Memorial Scholarship in the Allied Health Sciences for 2004-2005 has been awarded to Ms Keryn Proctor who holds the degree of Masters of Family Therapy from La Trobe University. Ms Proctor's PhD project is entitled "The Breaking Through Project: A school, family and rural community partnership to reduce suicide risk and increase safety in schools for at risk youth" and is being carried out in the Bouverie Centre, La Trobe University.



*Keryn Proctor*

## ROBERT GORDON MENZIES SCHOLARSHIP TO HARVARD

The Harvard Club of Australia, the Australian National University and the Sir Robert Menzies Memorial Foundation jointly sponsor the Robert Gordon Menzies Scholarship to Harvard University. The Scholarship is administered by the Australian National University.

Twenty-eight applications for the RG Menzies Scholarship to Harvard were considered by the Selection Committee, which included former Menzies Scholars, Mr Simon Hannaford and Professor Simon Maddocks. The Committee interviewed six candidates. After consideration, it was not possible to separate two outstanding candidates and the Scholarship was awarded jointly to Ms Belinda Baker and Dr Daniel Siskind.

Ms Baker holds the degrees of BA/LLB with First Class Honours and the University Medal in Law from Macquarie University. She will study for a Master of Laws in the Harvard Law School, specialising in constitutional and criminal law.

Dr Siskind, who, holds the degree of MBBS from the University of Queensland, will study for a Master of Public Health in the Harvard School of Public Health.



*Belinda Baker*



*Dan Siskind*

# The Menzies Memorial Scholars Association



*Mr Simon Hannaford, President*

## President's Report

The Menzies Memorial Scholars Association continues to grow as further Scholarships are awarded. Contrary to what hitherto has been accepted as Gospel, it is my view that the Association will never reach critical mass. By critical mass, I mean a size where, from mere weight of numbers the Association will spontaneously and effortlessly achieve its purpose of putting the aims of the Menzies Foundation into practice in the community.

Although the members of the Association are extremely talented and all want to assist the Foundation with its important work, the Association must clearly understand in what areas the Foundation requires assistance and how members' talents may be best utilised to those ends. 2003 has been an important year for the Association's progression along that path.

That is not to say that members of the Association have not continued to help the Foundation. Several members of the Association are members of the Foundation's Board, including the President and the Secretary/Treasurer of the Association on an ex officio basis. Others assist with the ranking of candidates for various Menzies Scholarships and also have sat on selection committees. Further, Medical Scholars conducted occasional Symposia, though for financial reasons, planned Symposia were not scheduled in 2002 and 2003.

Impetus for more targeted assistance to the Foundation has come from the planned 25th Anniversary celebrations. Members of the Association have made helpful

suggestions for activities in 2004 and many will be involved in the final program. Perhaps more unexpectedly has come a proposal that Law Scholars will put on a Continuing Legal Education Seminar in Sydney or Melbourne in 2004 and if successful, annually thereafter. It is often said that organising lawyers is akin to herding cats, so we are extremely hopeful that this venture will succeed, because it promises to be a very notable showcase for our Law Scholars.

In addition, the Association has planned to develop its own website, as an important adjunct to the Foundation's site. This too will provide an opportunity for Scholars' work and achievements to be highlighted for potential donors, hopeful Scholarship applicants, etc. It is also anticipated that this facility will supplement the "Menzies Brief" and allow members of the Association to maintain greater communication between Annual Meetings, so that good ideas become actual initiatives before the passage of time intervenes.

2003 also marks the end of my term as the Association's President. The satisfaction I have gained from my term is only exceeded by my confidence that under the stewardship of Professor Robyn O'Hehir and Dominique Hogan-Doran, the Association will continue to encourage and enable its members to contribute to the work of the Foundation.

The Association remains indebted to the Foundation's Board and Secretariat for their support, particularly with our Annual Meeting and Dinner. I am sure that these close links with the Foundation will continue to be productive.



*Glenis and Malcolm McDonald and Bob Anderson congratulate Prof Robyn O'Hehir on her election as President of the Menzies Memorial Scholars Association.*

## Sir Robert Menzies Centenary Prize

In 1994, as a mark of Sir Robert's contribution to education, the Foundation created an annual Sir Robert Menzies Centenary Prize at the Dimboola Memorial Secondary College, i.e. the college closest to Sir Robert's birthplace of Jeparit. The criteria for the award were developed jointly with the College Council and make special reference to academic excellence and community service. The award is for a senior student who is proceeding to tertiary study and is a contribution of \$2,000 to the first year of study. This cost is met jointly by the Menzies Memorial Scholars Association and the Menzies Foundation.

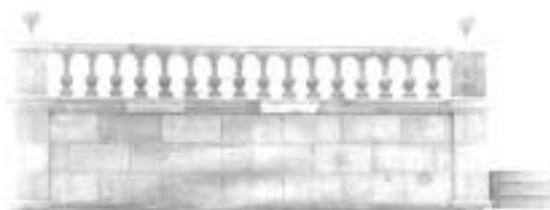
This year the Prize was awarded to Ms Michelle Blake. Michelle was the winner of the College's 2002 Year 12 Scholastic Award and the Brian Frecker Outstanding Senior Student Award. She was also elected by her peers to the position of College Captain and won the local section of the Lion's Youth of the Year contest. Michelle is enrolled at the University of Melbourne, where she is studying for a Bachelor of Arts degree.



Michelle Blake

## JEPARIT – BIRTHPLACE OF ROBERT GORDON MENZIES

"They [parents, James and Kate] went to a small township with a main street and a few score houses, called by the curious name of Jeparit... There, on 20 December 1894, I was born, my birth being ushered in by the greatest series of bank failures in the history of the State of Victoria." Sir Robert Menzies, *Afternoon Light*, 1967, p.7.



James and Kate Menzies (centre) outside the Jeparit store where Robert Gordon Menzies was born in 1894.

(Photograph courtesy of Jeparit & District Historical Society)

(Extract from  
The Menzies Virtual Museum  
[www.menziesvirtualmuseum.org.au](http://www.menziesvirtualmuseum.org.au))

## The Mészáros Menzies Medallion

Since 1998, the Menzies Foundation has awarded the Mészáros Menzies medallion to Menzies Scholars, the Menzies Foundation Lecturers and Life Members. In 2002, a “one-off” gold plated medallion was presented to the Hon John Howard, Prime Minister of Australia, following his launch of the Menzies Virtual Museum web site. The four medallions – gold, silver, bronze and copper – are pictured on the front cover of this Annual Report.

Andor Mészáros was “for over thirty years, a unique, intriguing, controversial figure of the Australian art world. His monumental works may be found in a number of Australian cities, his bronze reliefs on the walls of numerous public buildings, cathedrals, schools, hospitals, universities. His medals are highly esteemed possessions of museums and private collections”. (“Mészáros” by Tihamer Wachtel, 1987). His son, Michael – himself a renowned Australian sculptor – has recorded for us the history of the Menzies medallion and describes the work involved in the production of each medallion.

“My father originally met Sir Robert in the late 1950s and ‘60s when Sir Robert unveiled some of his works. Sir Robert liked my father’s work and found him interesting personally and my father similarly admired Menzies’ wit and personality. At some point, my father expressed the wish to do Sir Robert’s portrait as a profile medallion, an art form that he had taken to great heights. Menzies agreed in principle, but it wasn’t until Sir Robert retired that my father felt the time was right to propose that they really do it, in 1969.

The sittings were held in my father’s studio in Laver Street, Kew (where I still work 35 years later). In those days our front drive was very steep and rough and our neighbour had a nice straight, concreted drive. Menzies’ driver drove up the neighbour’s drive and parked there while the sittings took place since we had no dividing fence. Our neighbour was extremely left-wing, a supporter of East Germany and was appalled not only

at the incursion onto his property, but by the person who was responsible!

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The Menzies Foundation expresses its gratitude to the Mészáros family for the use of the die and for their continuing interest in the work of the Foundation.

# The Sir Robert Menzies Memorial Fellowships and Scholarships for 2003

## NHMRC/RG MENZIES FELLOWSHIP

In 1996, the Foundation made the inaugural contribution of \$50,000 per annum to the National Health and Medical Research Council's (NHMRC) CJ Martin/Neil Hamilton Fairley Fellowships with one of the Fellowships to become known as the NHMRC/RG Menzies Fellowship. These Fellowships are available for postgraduate medical study at approved overseas institutions with tenure for up to four years. Two years are spent in the overseas country followed by two years back in Australia. The Foundation has also made available a supplementation of \$5,000 for each of the four years of the award for activities associated with the NHMRC/RG Menzies Fellowship, e.g. conference travel.

The 2003 NHMRC/RG Menzies Fellowship was awarded to Dr John Pimanda from the Centre of Vascular Research, University of New South Wales. John will take up his Fellowship in 2004 at the University of Cambridge in the Department of Haematology. His proposed study is "Transcriptional control of stem cell identity and development".



*Dr John Pimanda*

## SIR ROBERT MENZIES MEMORIAL SCHOLARSHIPS IN LAW

The Sir Robert Menzies Memorial Trust in London, with the support of the Foreign and Commonwealth Office and of the Sir Robert Menzies Memorial Foundation in Australia, offers to Australians post-graduate scholarships in law for tenure at universities in the United Kingdom.

There were 42 applications for the three law scholarships that were available this year. One application was returned because the candidate had not completed her law degree at the time of application. The remaining applications were

then forwarded to a panel for ranking. The eight most highly ranked candidates were invited for interview in Melbourne on 13 October, 2003. The Selection Committee was the Hon Sir Daryl Dawson (Chairman), the Hon Justice Susan Kenny (Federal Court and Menzies Scholar), Professor Gillian Triggs (University of Melbourne) and Ms Louise Goold (Education Manager, British Council, representing the British Consul General and the Foreign and Commonwealth Office).

The Sir Robert Menzies Memorial Scholarships in Law were awarded to:

Mr William Heath who holds the degrees of LLB with First Class Honours and BA with First Class Honours (2002) from the University of Melbourne. Mr Heath will take up his two year scholarship at Oxford University where he will study for the BCL/MPhil commencing in October 2004;

Ms Premala Thiagarajan who holds the degrees of LLB with First Class Honours (2002) and the Supreme Court Prize and BA (1999) from Monash University. Ms Thiagarajan will take up her one year scholarship at Oxford University where she will study for a BCL commencing in October 2004; and

Ms Nicole Tyson who holds the degrees of BA/LLB with First Class Honours in Law (2000) and the University Medal from the University of Tasmania. Ms Tyson will take up her one year scholarship at Oxford University where she will study for the Master of Studies in Legal Research commencing in October 2004.



*Law Scholars William Heath, Nicole Tyson and Premala Thiagarajan were presented with the Mészáros Menzies medallion at the Menzies Scholars Dinner on 27 November 2003.*

## SIR ROBERT MENZIES MEMORIAL RESEARCH SCHOLARSHIP IN THE ALLIED HEALTH SCIENCES

This research scholarship, which is valued at \$24,000 per annum for each of two years, is open to graduates in any of the health sciences who have enrolled for a PhD in an Australian University and who have completed the first stage of their doctoral program. As in previous years, the Foundation is grateful for the support of the final selection committee and the assessors who are nominated by the respective disciplines to grade the applications in terms of topic, relevance and methodology.

In 2003 the scholarship attracted a field of 35 candidates and the disciplines included physiotherapy, speech pathology, psychology, nursing, human movement studies, occupational therapy, nutrition and podiatry.

Four candidates were invited to attend for interview in Melbourne on 14 August, 2003. The interview panel consisted of Professor John Coghlan (Chairman), Professor Robyn O'Hehir, Professor Alison Perry and Professor Susan Paxton.

The Sir Robert Menzies Memorial Scholarship in the Allied Health Sciences for 2004-2005 has been awarded to Ms Keryn Proctor who holds the degree of Masters of Family Therapy from La Trobe University. Ms Proctor's PhD project is entitled "The Breaking Through Project: A school, family and rural community partnership to reduce suicide risk and increase safety in schools for at risk youth" and is being carried out in the Bouverie Centre, La Trobe University.



*Keryn Proctor*

## ROBERT GORDON MENZIES SCHOLARSHIP TO HARVARD

The Harvard Club of Australia, the Australian National University and the Sir Robert Menzies Memorial Foundation jointly sponsor the Robert Gordon Menzies Scholarship to Harvard University. The Scholarship is administered by the Australian National University.

Twenty-eight applications for the RG Menzies Scholarship to Harvard were considered by the Selection Committee, which included former Menzies Scholars, Mr Simon Hannaford and Professor Simon Maddocks. The Committee interviewed six candidates. After consideration, it was not possible to separate two outstanding candidates and the Scholarship was awarded jointly to Ms Belinda Baker and Dr Daniel Siskind.

Ms Baker holds the degrees of BA/LLB with First Class Honours and the University Medal in Law from Macquarie University. She will study for a Master of Laws in the Harvard Law School, specialising in constitutional and criminal law.

Dr Siskind, who, holds the degree of MBBS from the University of Queensland, will study for a Master of Public Health in the Harvard School of Public Health.



*Belinda Baker*



*Dan Siskind*

# The Menzies Memorial Scholars Association



*Mr Simon Hannaford, President*

## President's Report

The Menzies Memorial Scholars Association continues to grow as further Scholarships are awarded. Contrary to what hitherto has been accepted as Gospel, it is my view that the Association will never reach critical mass. By critical mass, I mean a size where, from mere weight of numbers the Association will spontaneously and effortlessly achieve its purpose of putting the aims of the Menzies Foundation into practice in the community.

Although the members of the Association are extremely talented and all want to assist the Foundation with its important work, the Association must clearly understand in what areas the Foundation requires assistance and how members' talents may be best utilised to those ends. 2003 has been an important year for the Association's progression along that path.

That is not to say that members of the Association have not continued to help the Foundation. Several members of the Association are members of the Foundation's Board, including the President and the Secretary/Treasurer of the Association on an ex officio basis. Others assist with the ranking of candidates for various Menzies Scholarships and also have sat on selection committees. Further, Medical Scholars conducted occasional Symposia, though for financial reasons, planned Symposia were not scheduled in 2002 and 2003.

Impetus for more targeted assistance to the Foundation has come from the planned 25th Anniversary celebrations. Members of the Association have made helpful

suggestions for activities in 2004 and many will be involved in the final program. Perhaps more unexpectedly has come a proposal that Law Scholars will put on a Continuing Legal Education Seminar in Sydney or Melbourne in 2004 and if successful, annually thereafter. It is often said that organising lawyers is akin to herding cats, so we are extremely hopeful that this venture will succeed, because it promises to be a very notable showcase for our Law Scholars.

In addition, the Association has planned to develop its own website, as an important adjunct to the Foundation's site. This too will provide an opportunity for Scholars' work and achievements to be highlighted for potential donors, hopeful Scholarship applicants, etc. It is also anticipated that this facility will supplement the "Menzies Brief" and allow members of the Association to maintain greater communication between Annual Meetings, so that good ideas become actual initiatives before the passage of time intervenes.

2003 also marks the end of my term as the Association's President. The satisfaction I have gained from my term is only exceeded by my confidence that under the stewardship of Professor Robyn O'Hehir and Dominique Hogan-Doran, the Association will continue to encourage and enable its members to contribute to the work of the Foundation.

The Association remains indebted to the Foundation's Board and Secretariat for their support, particularly with our Annual Meeting and Dinner. I am sure that these close links with the Foundation will continue to be productive.



*Glenis and Malcolm McDonald and Bob Anderson congratulate Prof Robyn O'Hehir on her election as President of the Menzies Memorial Scholars Association.*

## Sir Robert Menzies Centenary Prize

In 1994, as a mark of Sir Robert's contribution to education, the Foundation created an annual Sir Robert Menzies Centenary Prize at the Dimboola Memorial Secondary College, i.e. the college closest to Sir Robert's birthplace of Jeparit. The criteria for the award were developed jointly with the College Council and make special reference to academic excellence and community service. The award is for a senior student who is proceeding to tertiary study and is a contribution of \$2,000 to the first year of study. This cost is met jointly by the Menzies Memorial Scholars Association and the Menzies Foundation.

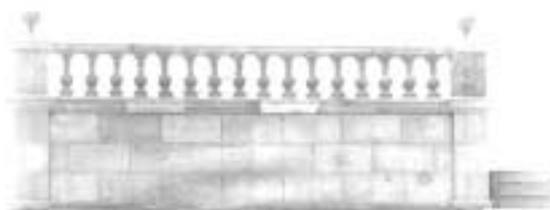
This year the Prize was awarded to Ms Michelle Blake. Michelle was the winner of the College's 2002 Year 12 Scholastic Award and the Brian Frecker Outstanding Senior Student Award. She was also elected by her peers to the position of College Captain and won the local section of the Lion's Youth of the Year contest. Michelle is enrolled at the University of Melbourne, where she is studying for a Bachelor of Arts degree.



Michelle Blake

## JEPARIT – BIRTHPLACE OF ROBERT GORDON MENZIES

"They [parents, James and Kate] went to a small township with a main street and a few score houses, called by the curious name of Jeparit... There, on 20 December 1894, I was born, my birth being ushered in by the greatest series of bank failures in the history of the State of Victoria." Sir Robert Menzies, *Afternoon Light*, 1967, p.7.



James and Kate Menzies (centre) outside the Jeparit store where Robert Gordon Menzies was born in 1894.

(Photograph courtesy of Jeparit & District Historical Society)

(Extract from  
The Menzies Virtual Museum  
[www.menziesvirtualmuseum.org.au](http://www.menziesvirtualmuseum.org.au))

## The Mészáros Menzies Medallion

Since 1998, the Menzies Foundation has awarded the Mészáros Menzies medallion to Menzies Scholars, the Menzies Foundation Lecturers and Life Members. In 2002, a “one-off” gold plated medallion was presented to the Hon John Howard, Prime Minister of Australia, following his launch of the Menzies Virtual Museum web site. The four medallions – gold, silver, bronze and copper – are pictured on the front cover of this Annual Report.

Andor Mészáros was “for over thirty years, a unique, intriguing, controversial figure of the Australian art world. His monumental works may be found in a number of Australian cities, his bronze reliefs on the walls of numerous public buildings, cathedrals, schools, hospitals, universities. His medals are highly esteemed possessions of museums and private collections”. (“Mészáros” by Tihamer Wachtel, 1987). His son, Michael – himself a renowned Australian sculptor – has recorded for us the history of the Menzies medallion and describes the work involved in the production of each medallion.

“My father originally met Sir Robert in the late 1950s and ‘60s when Sir Robert unveiled some of his works. Sir Robert liked my father’s work and found him interesting personally and my father similarly admired Menzies’ wit and personality. At some point, my father expressed the wish to do Sir Robert’s portrait as a profile medallion, an art form that he had taken to great heights. Menzies agreed in principle, but it wasn’t until Sir Robert retired that my father felt the time was right to propose that they really do it, in 1969.

The sittings were held in my father’s studio in Laver Street, Kew (where I still work 35 years later). In those days our front drive was very steep and rough and our neighbour had a nice straight, concreted drive. Menzies’ driver drove up the neighbour’s drive and parked there while the sittings took place since we had no dividing fence. Our neighbour was extremely left-wing, a supporter of East Germany and was appalled not only

at the incursion onto his property, but by the person who was responsible!

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In a large press, under a force of several hundred tonnes, the dies are forced down on to the bronze blank and a positive impression is created.

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CELEBRATING  
25 YEARS

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MENZIES  
FOUNDATION

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



Mr Brian Doyle  
*Deputy Chairman & Secretary*



Mr Ken Spencer AM  
*Treasurer*



Ms Belinda Gibson



Mr Simon Hannaford



Mr Peter Henderson AC



Mr Ross Illingworth



Mr Charles Kiefel



Mr James McLachlan



Prof. Simon Maddocks



Ms Edwina Menzies



Assoc. Prof. David Morgan



Prof. Robyn O'Hehir



Mrs Jean Trethewey OAM

# The Sir Robert Menzies Memorial Foundation Limited

(A Company Limited by Guarantee) ABN 43 008 543 897

## Statement of Financial Performance For the year ended 31 December 2003

	Note	2003 \$	2002 \$
<b>Revenue from ordinary activities</b>	2	902,521	(955,197)
<b>Expenses from ordinary activities</b>			
Menzies Health Research Centres		(200,000)	(250,000)
Scholarships and fellowships		(216,280)	(192,241)
Other Memorial Activities		(78,689)	(139,890)
Salaries and salary on-costs		(193,493)	(191,621)
Other expenses from ordinary activities		(119,964)	(115,821)
<b>Surplus / (Deficit) from ordinary activities</b>		94,095	(1,844,770)
<b>Net surplus / (deficit)</b>	11	94,095	(1,844,770)
<b>Total increase / (decrease) in accumulated funds</b>		94,095	(1,844,770)

The above Statement of Financial Performance should be read in conjunction with the accompanying notes.

# The Sir Robert Menzies Memorial Foundation Limited

(A Company Limited by Guarantee) ABN 43 008 543 897

## Statement of Financial Position As at 31 December 2003

	Note	2003 \$	2002 \$
<b>Current assets</b>			
Cash assets	4	30,423	36,820
Receivables	5	74,062	85,187
Investments	6	12,419,046	12,352,372
Other	7	15,120	21,744
<b>Total current assets</b>		<b>12,538,651</b>	<b>12,496,123</b>
<b>Total assets</b>		<b>12,538,651</b>	<b>12,496,123</b>
<b>Current liabilities</b>			
Payables	8	46,390	101,657
Provisions	9	62,618	57,667
<b>Total current liabilities</b>		<b>109,008</b>	<b>159,324</b>
<b>Non-current liabilities</b>			
Provisions	10	2,601	3,852
<b>Total non-current liabilities</b>		<b>2,601</b>	<b>3,852</b>
<b>Total liabilities</b>		<b>111,609</b>	<b>163,176</b>
<b>Net assets</b>		<b>12,427,042</b>	<b>12,332,947</b>
<b>Accumulated Funds</b>	11	<b>12,427,042</b>	<b>12,332,947</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

# The Sir Robert Menzies Memorial Foundation Limited

(A Company Limited by Guarantee) ABN 43 008 543 897

## Statement of Cash Flows

For the year ended 31 December 2003

	Note	2003 \$	2002 \$
<b>Cash flows from operating activities</b>			
Receipts from trade and other debtors (inclusive of goods and services tax)		126,722	100,391
Payments to creditors, employees, fellowships and similar (inclusive of goods and services tax)		(849,291)	(858,473)
Funds withdrawn from investments		715,001	750,000
Interest received		1,171	1,896
<b>Net cash inflow / (outflow) from operating activities</b>	22	<b>(6,397)</b>	<b>(6,186)</b>
<b>Net increase / (decrease) in cash held</b>		<b>(6,397)</b>	<b>(6,186)</b>
Cash at the beginning of the financial year		36,820	43,006
<b>Cash at the end of the financial year</b>	4	<b>30,423</b>	<b>36,820</b>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

# The Sir Robert Menzies Memorial Foundation Limited

(A Company Limited by Guarantee) ABN 43 008 543 897

## Notes to the Financial Statements

For the year ended 31 December 2003

### Note 1. Summary of significant accounting policies

This general purpose financial report has been prepared in accordance with Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views and the Corporations Act 2001.

It is prepared in accordance with the historical costs convention except for certain assets which as noted, are at valuation. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year.

#### (a) Fixed assets

Fixed assets purchased are written off in the year of acquisition. Refer also note 13.

#### (b) Taxation

The Foundation is exempt from taxation under Section 50-5 of the Income Tax Assessment Act 1997. Under recent legislative changes which came to effect on 1 July 2000 the Foundation is entitled to a refund of dividend imputation credits which arise on the Foundation's investments.

#### (c) Investments

Investments of the Foundation are recorded at market value as at the reporting date.

#### (d) Revenue recognition

Operating revenue includes interest income, dividends, donations, profit on sale of investments, unrealised gains/losses on recognition of investments at market value and rental income from Clarendon Terrace. Amounts disclosed as revenue are net of taxes paid.

Donations, contributions and imputation tax credit refunds are brought to account on a cash received basis, whereas all other revenue and expense items are accounted for on an accrual basis.

#### (e) Employee entitlements

##### (i) Wages and salaries and annual leave

Liabilities for wages and salaries and annual leave are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

##### (ii) Long service leave

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

#### (f) Cash

For purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value.

# The Sir Robert Menzies Memorial Foundation Limited

(A Company Limited by Guarantee) ABN 43 008 543 897

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2003

### Note 1. Summary of significant accounting policies (cont.)

#### (g) Trade creditors

These amounts represent liabilities of goods and services provided to the company prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

#### (h) Receivables

All trade debtors are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectibility of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised when some doubt as to collection exists.

	2003 \$	2002 \$
<b>Note 2. Revenue</b>		
<b>Revenue from Operating Activities</b>		
Net Investments Income	569,853	729,298
Marked-to-market adjustment of investments at year end	218,118	(1,807,521)
Rent	30,630	30,501
Parking	100	1,200
Donations	8,380	27,592
Publication sales	35	142
Room hire	775	1,250
Scholarship refund	10,511	-
Imputation tax credit refund	62,698	58,232
Other income	250	2,213
Interest	1,171	1,896
<b>Revenue from ordinary activities</b>	<b>902,521</b>	<b>(955,197)</b>

# The Sir Robert Menzies Memorial Foundation Limited

(A Company Limited by Guarantee) ABN 43 008 543 897

## Notes to the Financial Statements (cont.) For the year ended 31 December 2003

	2003 \$	2002 \$
<b>Note 3. Deficit from ordinary activities</b>		
Deficit from ordinary activities includes the following specific net losses and expenses		
<b>Net Loss</b>		
Net loss on disposal and withdrawal of investments	13,578	31,145
<b>Expenses</b>		
Doubtful debt provision	5,481	–
Provision for employee entitlements	3,700	2,522
<b>Note 4. Current assets – Cash assets</b>		
Cash on hand	100	100
Cash at bank	30,323	36,720
	<b>30,423</b>	<b>36,820</b>
<b>Note 5. Current assets – Receivables</b>		
Trade debtors	5,958	7,973
Less: provision for doubtful debts	5,481	–
Net trade debtors	477	7,973
Investment income receivable	68,782	65,313
Other receivables	4,803	11,901
	<b>74,062</b>	<b>85,187</b>

# The Sir Robert Menzies Memorial Foundation Limited

(A Company Limited by Guarantee) ABN 43 008 543 897

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2003

### Note 6. Current assets – Investments

The existing investments consisted of Pooled Investment Trust, run by Westpac Financial Services Limited until 30 September 2003 and replaced by Institutional Diversified Balanced Fund, run by BT Financial Group since 1 October 2003; Capital Growth Fund, run by Credit Suisse and several investments managed by JB Were Investment Management.

	2003 \$	2002 \$
<b>Marketable securities (market value)</b>		
The aggregate market values of tradeable investments and those listed on a prescribed stock exchange are:		
Units in managed share funds	1,969,311	1,866,280
Units in fixed interest securities funds	2,108,705	2,044,082
Units held in property trusts	356,385	357,520
Units held in pooled investment trust	–	3,006,704
Units held in institutional diversified balanced fund	3,070,349	–
Units held in capital growth fund	4,914,296	5,077,786
<b>Total investments (at market value)</b>	<b>12,419,046</b>	<b>12,352,372</b>
<b>Marketable securities (at cost)</b>		
The aggregate cost of tradeable investments and those listed on a prescribed stock exchange are:		
Units in managed share funds	2,028,790	2,057,352
Units in fixed interest securities funds	2,092,311	1,944,071
Units held in property trusts	313,607	298,377
Units held in pooled investment trust	–	3,880,329
Units held in institutional diversified balanced fund	2,986,753	–
Units held in capital growth fund	5,680,839	5,900,968
<b>Total investments (at cost)</b>	<b>13,104,627</b>	<b>14,081,097</b>

# The Sir Robert Menzies Memorial Foundation Limited

(A Company Limited by Guarantee) ABN 43 008 543 897

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2003

	2003 \$	2002 \$
<b>Note 7. Current assets – Other</b>		
Prepayments	15,120	21,744
<b>Note 8. Current liabilities – Payables</b>		
Trade creditors	46,390	99,323
Other	–	2,334
	46,390	101,657
<b>Note 9. Current liabilities – Provisions</b>		
Employee entitlements	62,618	57,667
<b>Note 10. Non-current liabilities – Provisions</b>		
Employee entitlements	2,601	3,852
<b>Note 11. Accumulated funds</b>		
Accumulated Funds at the beginning of the financial year	12,332,947	14,177,717
Net surplus / (deficit)	94,095	(1,844,770)
Accumulated funds at the end of the financial year	12,427,042	12,332,947

### Note 12. Remuneration of directors

No directors or related entities have received or become entitled to receive remuneration in connection with the management of affairs of the Foundation for the 2003 and 2002 financial year.

### Note 13. Non-current assets – Property, plant and equipment

Premises occupied by the Foundation since 1980 are leased for 45 years from the National Trust. The Foundation has no residual right to the freehold property. However, the Foundation has the first right of refusal of purchase if the Trust decides to sell.

The directors consider the valuation of the property and leasehold improvements to be \$2,697,000 based on an independent insurance valuation by Jeffrey Tempany on behalf of Edward Rushton Pty Limited in July 2002. This valuation was on the basis of Reinstatement with New Value for insurance purposes and is performed periodically every two years.

As described in note 1(a), fixed assets including leasehold improvements are written off in the year of acquisition.

# The Sir Robert Menzies Memorial Foundation Limited

(A Company Limited by Guarantee) ABN 43 008 543 897

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2003

	2003 \$	2002 \$
<b>Note 14. Remuneration of auditors</b>		
Remuneration for audit of the financial reports of the Foundation:		
Audit of the company – PricewaterhouseCoopers Australia firm	15,000	15,000
Remuneration for other services – PricewaterhouseCoopers Australia firm	–	–
	15,000	15,000
<b>Note 15. Commitments for expenditure</b>		
Expenditure commitments which have not been provided for in the financial report include:		
Payable no later than one year:		
Grants:    Institutions	225,000	225,000
Scholarships and other educational	212,000	229,000
	437,000	454,000
Payable later than one year, not later than two years:		
Grants:    Institutions	12,500	25,000
Scholarships and other educational	48,000	48,000
	60,500	73,000
Payable later than two, not later than five years:		
Grants:    Institutions	–	–
Scholarships and other educational	–	–
	–	–
	497,500	527,000

The above represents the Foundation's formal commitment to institutions and scholarship holders as approved by the Board at its 28 November 2003 meeting. The Board's intention is currently to provide the scholarships on an ongoing basis and continue grants to the Menzies School of Health Research and the Menzies Research Institute. However, the above information excludes any future costs associated with the scholarships and grants to the Menzies School of Health Research and the Menzies Research Institute which may subsequently be committed.

The comparative information for 2002 year has been re-stated to ensure consistency with 2003 commitments and as such only includes formal commitments as at 31 December 2002.

# The Sir Robert Menzies Memorial Foundation Limited

(A Company Limited by Guarantee) ABN 43 008 543 897

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2003

	2003 \$	2002 \$
<b>Note 16. Employee entitlements</b>		
Provision for employee entitlements		
Current (note 9)	62,618	57,667
Non-Current (note 10)	2,601	3,852
	65,219	61,519

Employee numbers	Number	Number
Number of employees at the end of the financial year	2	3

Aggregate employee entitlements include entitlements measured at present values of future amounts expected to be paid based on a 3% per annum projected weighted average increase in salary rates. Present values are calculated using a weighted average rate of 5% based on government guaranteed securities with similar maturity terms.

### Note 17. Segment information

The Foundation operates as a charitable organisation primarily within Australia and derives its revenue principally from donations and investment income.

### Note 18. Share capital

The company is limited by guarantee which means the Foundation was formed on the principle of having the liability of its members limited by the Memorandum of Association to the respective amounts that the members undertake to contribute to the property of the company if it is wound up.

### Note 19. Dividends

No dividends have been paid or declared during the year and no dividends are proposed. The Foundation is prohibited by its Memorandum and Articles of Association from making any distribution to its members.

### Note 20. Superannuation plans

The Foundation contributes to various superannuation plans for its employees and they are entitled to benefits on retirement, disability or death. All superannuation funds are defined contribution funds. The contributions are made subject to an award and are legally enforceable. Employees contribute to the plan at various percentages of their wages and salaries.

# The Sir Robert Menzies Memorial Foundation Limited

(A Company Limited by Guarantee) ABN 43 008 543 897

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2003

### Note 21. Related parties

#### Directors

The names of persons who were directors of the Foundation at any time during the financial year are as follows:

The Hon Sir Daryl Dawson, Mr BJ Doyle, Mr PGF Henderson, Mr CPH Kiefel, Associate Professor DAF Morgan, Ms BG Gibson, Professor S Maddocks, Mr JL McLachlan, Mrs JM Trethewey, Mr KH Spencer, Mr SM Hannaford, Professor RE O'Hehir, Ms E C Menzies and Mr RA Illingworth.

All of these persons were also directors during the year ended 31 December 2002, except for Ms E C Menzies who was appointed on 28 November, 2003 and Mr RA Illingworth who was appointed on 4 December 2003.

In addition, Associate Professor W Rawlinson and Professor SR Leeder held office as a director until their resignation on 11 February 2002 and 29 November 2002 respectively.

#### Remuneration of directors

Information on remuneration of directors is disclosed in note 12.

#### Transactions with directors and director-related entities

There were no transactions with directors or director related entities during the financial year.

	2003 \$	2002 \$
<b>Note 22. Reconciliation of deficit from ordinary activities to net cash flow from operating activities</b>		
Surplus / (deficit) from ordinary activities	94,095	(1,844,770)
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	11,125	(24,048)
(Increase)/decrease in investments	(66,674)	1,846,145
(Increase)/decrease in prepayments	(6,624)	(9,102)
Increase/(decrease) in employee entitlements	3,700	2,522
Increase/(decrease) in trade and other creditors	(42,019)	23,067
Net cash inflows/(outflows) from operating activities	(6,397)	(6,186)

# The Sir Robert Menzies Memorial Foundation Limited

(A Company Limited by Guarantee) ABN 43 008 543 897

## Directors' Declaration

The directors declare that the financial statements and notes set out on pages 25 to 35:

- (a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) give a true and fair view of the Foundation's financial position as at 31 December 2003 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the directors' opinion:

- (a) the financial statements and notes are in accordance with the Corporations Act 2001; and
- (b) there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

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



The Hon Sir Daryl Dawson  
Chairman



Kenneth H Spencer  
Director

Melbourne  
15 March 2004

Independent Audit Report to the Members of  
The Sir Robert Menzies Memorial Foundation Limited  
(A Company Limited by Guarantee)

### Qualification

We have obtained appropriate audit evidence regarding revenue from cash donations and other fundraising activities with respect to revenue recorded in the financial records of The Sir Robert Menzies Memorial Foundation Limited. As it is impracticable to establish control over the collection of revenue from these sources prior to entry into the financial records, our audit procedures are necessarily limited to those amounts recorded in these financial records. As a result, we are unable to express an opinion as to whether revenue from cash donations and other fundraising activities is complete.

### Qualified Audit opinion

In our opinion, except for the effects of such adjustments, if any, on the financial statements, as might have been determined to be necessary had the limitation referred to in the qualification paragraph not existed, the financial report of The Sir Robert Menzies Memorial Foundation Limited:

- gives a true and fair view, as required by the Corporations Act 2001 in Australia, of the financial position of The Sir Robert Menzies Memorial Foundation Limited as at 31 December 2003, and of its performance for the year ended on that date, and
- is presented in accordance with the Corporations Act 2001, Accounting Standards and other mandatory financial reporting requirements in Australia, and the Corporations Regulations 2001.

This opinion must be read in conjunction with the rest of our audit report.

### SCOPE

#### The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for The Sir Robert Menzies Memorial Foundation Limited ("the Foundation"), for the year ended 31 December 2003.

The directors of the Foundation are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

#### Audit approach

We conducted an independent audit in order to express an opinion to the members of the Foundation. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

Independent Audit Report to the Members of  
The Sir Robert Menzies Memorial Foundation Limited  
(A Company Limited by Guarantee) (cont.)

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Foundation's financial position, and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

When this audit report is included in an Annual Report, our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

### Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.



PricewaterhouseCoopers

PricewaterhouseCoopers



W L Tarrant  
Partner

Melbourne  
18 March 2004

# Board of Directors

## Patron:

His Excellency Major General Michael Jeffery, AC, CVO, MC (Rtd)  
Governor-General of the Commonwealth of Australia

## BOARD OF DIRECTORS (as at 31st December, 2003)

The Hon Sir Daryl Dawson AC, KBE, CB Chairman

Mr B J Doyle Deputy Chairman & Secretary

Mr K H Spencer, AM Treasurer

Mr P G F Henderson, AC (until 28-11-2003)

Mr C P H Kiefel

Associate Professor D A F Morgan

Ms B G Gibson

Professor S Maddocks

Mr J L McLachlan

Mrs J M Trethewey, OAM

Mr S M Hannaford

Professor R E O'Hehir

Ms E C Menzies

Mr R A Illingworth

## THE HON SIR DARYL DAWSON, AC, KBE, CB

LLB(Hons)(Melb), LLM(Yale)

Chairman

Director and Chairman since 1998

Adjunct Professor, Monash University; Professorial Fellow, University of Melbourne.

QC 1971; Solicitor-General for Victoria, 1974-1982;

Justice of the High Court of Australia, 1982-1997;

Non-permanent Judge, Court of Final Appeal, Hong Kong 1997-2003.

## BRIAN J DOYLE

LLB(Tas), BCL(Oxon)

Solicitor

Deputy Chairman

Director and Secretary since 1993

Consultant: Clayton Utz, Melbourne.

## KENNETH H SPENCER, AM

FCA

Retired Accountant

Treasurer

Director since 1998

Chairman: GUD Holdings Limited. Director: Australian

Grand Prix Corporation, British American Tobacco

Australasia Ltd, CDK Tectonics Ltd, Pacifica Group Ltd,

Primelife Corporation Limited. Former Partner, KPMG.

Former Chairman: Australian Accounting Standards Board.

## PETER G F HENDERSON, AC (until 28-11-2003)

MA(Oxon)

Retired Commonwealth Public Servant

Director since 1981

Former Secretary, Department of Foreign Affairs (1979-1984); Former Chancellor of St John Ambulance Australia (1995-2000).

## CHARLES P H KIEFEL

FCA, FAICD, BComm(NSW)

Investment Banker

Director since 1986

Chairman: Military Superannuation and Benefits Board of Trustees No.1; Wilson HTM Asset Management; Wilson HTM Capital Management; Wilson HTM Charitable Trust. Non-Executive Director: Lochard Limited; Pharmaxis Limited; Universal Biosensors Pty Ltd. Principal and Director: The Principals Funds Management Limited; The Principals Commercialisation Fund Limited and The Principals Cornerstone Fund Limited. Consultancies: Aracel Technologies; KFT Investments. Former Managing Director – Corporate Finance, ANZ Investment Bank.

## DAVID A F MORGAN

BSc(Med), MB BS, FRACS, FRCS Ed(Orth), FAOA

Associate Professor in Orthopaedic Surgery

Director since 1989

Sir Robert Menzies Memorial Scholar 1985

Director: Queensland Bone Bank. Chairman: Advisory Panel on Device Tracking to TDEC, Therapeutic Goods Administration, Commonwealth Department of Health and Aged Care. President: MedicoLegal Society of Queensland. Fellow: Australian Orthopaedic Association.

Chairman: Medical Advisory Committee, Brisbane Private Hospital, Brisbane. Member: Girdlestone Society; Clinical Advisory Committee for Transplantation Services in Queensland; Management Committee, National Joint Registry. Expert Adviser: Medicare Services Advisory Committee, Commonwealth Department of Health and Aged Care. Member: Medical Devices Evaluation Committee (MDEC), Therapeutic Goods Administration, Commonwealth Department of Health and Aged Care.

# Board of Directors

## BELINDA G. GIBSON

BEc, LLB(Hons)(Sydney), LLM(Hons)(Cantab)  
Solicitor  
Director since 1990  
Sir Robert Menzies Memorial Scholar 1983  
Partner in Charge – Sydney, Mallesons Stephen Jaques.  
Director, Air Services Australia; Member, Macquarie  
University Graduate School of Management Advisory  
Council.

## SIMON MADDOCKS

BAGSci(Hons), PhD, MAIAST  
Professor of Animal Science, University of Adelaide  
Chief Scientist, South Australian Research & Development  
Institute  
Director since 1993  
Sir Robert Menzies Memorial Scholar 1987  
Director: Governing Board, Menzies School of Health  
Research, Darwin; Co-operative Research Centre for Pest  
Animal Control. Member: Society for Reproductive  
Biology; Endocrine Society of Australia; Endocrine Society  
(UK); Society for Reproduction and Fertility (UK);  
Australian Society of Immunology; Society for the Study  
of Reproduction (USA); Australian Institute of  
Agricultural Science and Technology.

## JAMES L McLACHLAN

BSc, LLB(UNSW), LLM(Cantab)  
Director since 1995  
Sir Robert Menzies Memorial Scholar, 1988  
CEO, PBL Enterprises and Group General Counsel,  
Publishing and Broadcasting Limited. Council Member:  
Sydney Peace Foundation. Director: The Bell Shakespeare  
Company; Chairman: Fox Sports; Sky News Australia.  
Director: Various PBL Group companies

## JEAN M TRETHERWEY, OAM

RFD, FRCNA, FAIM, FAICD  
Director since 1996  
Chairman: Menzies Centre for Population Health  
Research. Director: Royal Automobile Club of Tasmania  
Ltd; RACT Insurance Pty Ltd. Vice President:  
Tasmanian Cricket Association.

## SIMON M HANNAFORD

LLB(Hons)(Adel), BCL(Oxon), GDLP  
Barrister & Solicitor  
Director since 2002  
Sir Robert Menzies Memorial Scholar 1986

Partner, Fisher Jeffries. President: Sir Robert Menzies  
Memorial Scholars Association 2002-2003. Chairman:  
St Peters Collegians Association. Honorary Secretary:  
Oxford University Society of South Australia. Member:  
GDLP Course Advisory Committee.

## ROBYN E O'HEHIR

BSc, MBBS(Hons), FRACP, PhD, FRCP  
Professor of Medicine (Allergy and Clinical Immunology  
and Respiratory Medicine) and Honorary Professor of  
Pathology and Immunology, Monash University; Director,  
Department of Allergy, Immunology and Respiratory  
Medicine, The Alfred Hospital, Melbourne  
Director since 2002  
Sir Robert Menzies Memorial Scholar 1986  
Secretary/Treasurer: The Menzies Memorial Scholars  
Association 2002-2003. Board Member: Asthma Victoria  
and The Harold Mitchell Foundation. Program Director:  
Melbourne node of the Co-operative Research Centre for  
Asthma, Australia. Member: Australasian Society for  
Clinical Immunology and Allergy; Australian Society for  
Immunology; Thoracic Society of Australia and New  
Zealand; British Society for Allergy and Clinical  
Immunology. Associate Editor: International Archives of  
Allergy and Immunology. Editorial Board Member:  
Clinical and Experimental Allergy. Director: Monash  
node Co-operative Research Centre for Asthma.

## EDWINA C MENZIES

BA/LLB  
Solicitor  
Director since 2003  
Partner, Deacons. Board Member: Predictive Mineral  
Discovery CRC; Canberra Stadium. Member: Law  
Society of the ACT.

## ROSS A ILLINGWORTH

BBus (HR), MAICD, CFP  
Stockbroker  
Director since 2003  
Stockbroker with Bell Potter Securities Limited.  
Non-Executive Director and Member of Audit and  
Compliance Committee of Equity Trustees Limited.  
Member: Greater Melbourne Foundation and Lord  
Mayor's Charitable Fund (Investment Committee);  
The Howard Florey Institute (Corporate and  
Major Gifts Committee).