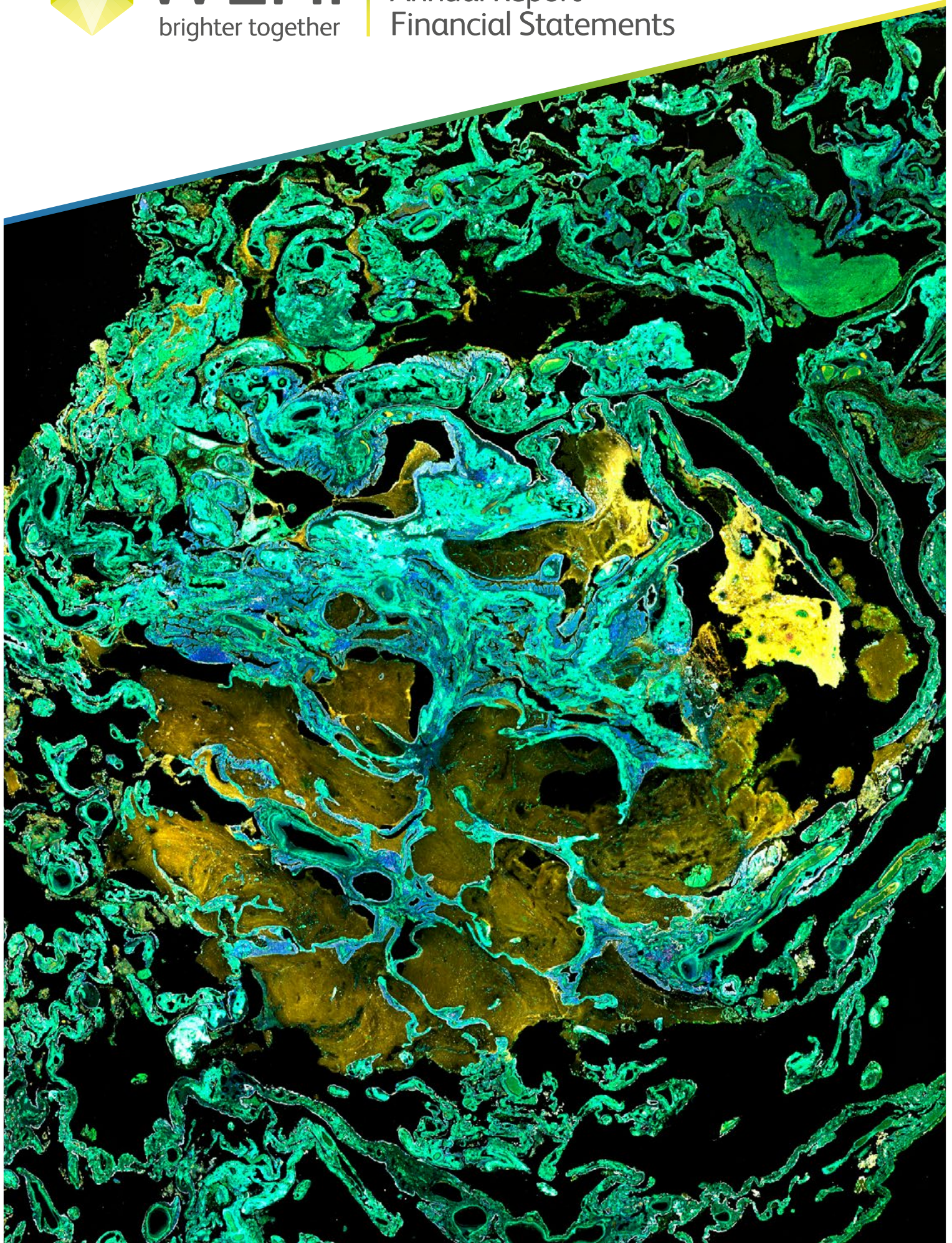




**WEHI**  
brighter together

2022  
Annual Report  
Financial Statements





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### Chief Financial Officer

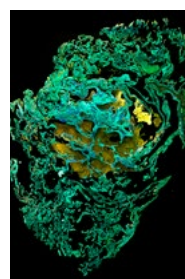
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### Company Secretary

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### Cover image

2022 Art of Science finalist  
*Against the Grain*

Kristy Shield-Artin and Suzan Sam

This multiplex immunohistochemistry image shows a rare mucinous lung tumour from a 'super-survivor' who has had three unrelated primary cancers in her lifetime. Researchers are working to identify factors that slow cancer progression in this small but remarkable group of individuals, as part of the WEHI Stafford Fox Rare Cancer Program.

*WEHI acknowledges the Traditional Owners and custodians of the land on which our campuses are located, the Wurundjeri people of the Kulin Nation. We pay our respects to their Elders past and present and embrace their continued connection to Country and community.*

## Statement of profit or loss and other comprehensive income for the year ended 31 December 2022

		2022	2021
	Note	\$'000	\$'000
<b>Revenue and other income</b>			
Fundraising and grant income	2(a)	132,963	124,121
Other income	2(b)	9,734	37,465
		<b>142,697</b>	<b>161,586</b>
Investment income	2(c)	35,740	30,506
<b>Total income</b>		<b>178,437</b>	<b>192,092</b>
Employee related expenses	3(a)	(121,581)	(108,390)
Scientific consumables and other research expenses		(31,769)	(29,116)
Other expenses	3(b)	(37,385)	(37,683)
<b>Total expenses</b>		<b>(190,735)</b>	<b>(175,189)</b>
Finance income/(costs)	4	5,649	(1,087)
<b>Operating (Deficit)/Surplus</b>		<b>(6,649)</b>	<b>15,816</b>
Bequests and donations allocated to permanent funds		1,620	26,659
Share of profits of equity accounted investments	7	2,011	-
Gain on merger	7	4,068	-
Gain/(loss) on financial assets taken to profit or loss (FVTPL Instruments)		(8,432)	10,839
Other foreign exchange gain		6,742	4,208
<b>Net (Deficit)/Surplus for the period</b>	16(a)	<b>(640)</b>	<b>57,522</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Fair value gain/(loss) on financial assets taken to equity (FVTOCI equity Instruments)		(35,638)	52,363
<b>Items that may be reclassified subsequently to profit or loss</b>			
Fair value gain/(loss) on financial assets taken to equity (FVTOCI debt Instruments)		(2,442)	(422)
Gain on sale of financial assets (FVTOCI Debt Instruments) reclassified to profit or loss		-	60
<b>Total comprehensive (loss)/income for the year</b>		<b>(38,720)</b>	<b>109,523</b>

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

## Statement of financial position as at 31 December 2022

		2022	2021
		\$'000	\$'000
<b>Assets</b>	<b>Note</b>		
<b>Current assets</b>			
Cash and cash equivalents	17(a)	165,332	76,751
Trade and other receivables	8	24,824	50,255
Prepayments		1,531	1,138
<b>Total current assets</b>		<b>191,687</b>	<b>128,144</b>
<b>Non-current assets</b>			
Financial assets	9	570,709	671,695
Investments in associates and joint ventures	7	7,306	1,516
Property, plant and equipment	10	193,702	194,690
Right of use assets	11	4,998	2,632
<b>Total non-current assets</b>		<b>776,715</b>	<b>870,533</b>
<b>Total assets</b>		<b>968,402</b>	<b>998,677</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	25,270	13,921
Provisions	13	27,446	27,562
Unearned grants and fellowships	14	60,068	56,138
Other liabilities	15	882	361
<b>Total current liabilities</b>		<b>113,666</b>	<b>97,982</b>
<b>Non-current liabilities</b>			
Provisions	13	24,534	33,708
Other liabilities	15	1,935	-
<b>Total non-current liabilities</b>		<b>26,469</b>	<b>33,708</b>
<b>Total liabilities</b>		<b>140,135</b>	<b>131,690</b>
<b>Net assets</b>		<b>828,267</b>	<b>866,987</b>
<b>Funds</b>			
Permanent invested funds	16(b)	240,122	229,672
General funds	16(c)	408,197	419,077
Royalty fund	16(d)	55,822	56,389
Leadership fund	16(e)	35,259	30,225
Discovery fund	16(f)	6,341	5,746
Investment revaluation reserve	16(g)	82,526	125,878
<b>Total funds</b>		<b>828,267</b>	<b>866,987</b>

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

## Statement of changes in equity

	Permanent fund	General fund	Royalty fund	Leadership fund	Discovery fund	Investment revaluation reserve	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 January 2021</b>	<b>202,322</b>	<b>383,847</b>	<b>56,135</b>	<b>28,927</b>	<b>5,484</b>	<b>80,749</b>	<b>757,464</b>
Transfers from Investment revaluation reserve on sale of investments	-	6,872	-	-	-	(6,872)	-
Surplus for the year	27,350	28,358	254	1,298	262	-	<b>57,522</b>
<b>Other comprehensive income for the year</b>							
Revaluation gain on investments for the year	-	-	-	-	-	52,001	<b>52,001</b>
<b>Total comprehensive income for the year</b>	<b>27,350</b>	<b>35,230</b>	<b>254</b>	<b>1,298</b>	<b>262</b>	<b>45,129</b>	<b>109,523</b>
<b>Balance at 31 December 2021</b>	<b>229,672</b>	<b>419,077</b>	<b>56,389</b>	<b>30,225</b>	<b>5,746</b>	<b>125,878</b>	<b>866,987</b>
Transfers between Funds	8,675	(16,034)	-	3,268	253	3,838	-
Transfers from Investment revaluation reserve on sale of investments	-	9,110	-	-	-	(9,110)	-
(Deficit)/Surplus for the year	1,775	(3,956)	(567)	1,766	342	-	<b>(640)</b>
<b>Other comprehensive loss for the year</b>							
Revaluation loss on investments for the year	-	-	-	-	-	(38,080)	<b>(38,080)</b>
<b>Total comprehensive loss for the year</b>	<b>10,450</b>	<b>(10,880)</b>	<b>(567)</b>	<b>5,034</b>	<b>595</b>	<b>(43,352)</b>	<b>(38,720)</b>
<b>Balance at 31 December 2022</b>	<b>240,122</b>	<b>408,197</b>	<b>55,822</b>	<b>35,259</b>	<b>6,341</b>	<b>82,526</b>	<b>828,267</b>

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

## Statement of cash flows for the year ended 31 December 2022

		2022	2021
	Note	\$'000	\$'000
<b>Cash flows from operating activities</b>			
Donations and bequests		26,684	26,137
General income		7,147	14,675
Receipts from granting bodies		97,847	105,071
Payments to suppliers and employees		(169,384)	(171,782)
Royalty receipts		29,069	39,701
Investment income received		36,562	23,289
Interest and bill discounts received		178	420
<b>Net cash from operating activities</b>	17(b)	<b>28,103</b>	<b>37,511</b>
<b>Cash flows from investing activities</b>			
Payment for other financial assets		(103,720)	(94,953)
Proceeds on sale of other financial assets		169,311	72,902
Payments for investments in associates		(400)	-
Grants and donations for property, plant and equipment		2,542	1,460
Payment for property, plant and equipment		(15,266)	(15,710)
<b>Net cash from/(used in) investing activities</b>		<b>52,467</b>	<b>(36,301)</b>
<b>Cash flows from financing activities</b>			
Donations and bequests to permanent invested funds		1,620	227
<b>Net cash from financing activities</b>		<b>1,620</b>	<b>227</b>
<b>Net increase in cash and cash equivalents</b>		<b>82,190</b>	<b>1,437</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>76,751</b>	<b>70,112</b>
Effects of exchange rate changes on the balance of cash held in foreign currencies		6,391	5,202
<b>Cash and cash equivalents at the end of the year</b>	17(a)	<b>165,332</b>	<b>76,751</b>

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

## Notes to the annual accounts for the year ended 31 December 2022

### 1. Statement of significant accounting policies

The Walter and Eliza Hall Institute of Medical Research (referred to as 'WEHI' or the 'Company' throughout this report) is incorporated in Victoria as a company limited by guarantee. WEHI has 229 members and the guarantee is limited to two dollars per member.

The financial statements include all the activities of WEHI.

The principal address of WEHI is:

1G Royal Parade  
Parkville, Victoria, 3052

#### (a) Statement of compliance

This general purpose financial report has been prepared in accordance with the Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, International Financial Reporting Standards (IFRS) and the Australian Charities and Not-for-profits Commission Act 2012. WEHI is a not-for-profit entity and is exempt from taxation.

The financial report has been prepared on a going concern basis using historical cost conventions, except for certain financial instruments, which have been measured at fair value. Cost is based on the fair values of consideration given in exchange for assets.

The financial report is presented in Australian dollars, which is WEHI's functional and presentation currency. WEHI is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016, and in accordance with that Class Order, amounts in the financial report are rounded to the nearest thousand dollars, unless otherwise indicated.

The financial statements were authorised for issue by the directors on 23 March 2023.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (b) Principles of equity accounting

##### Associates

Associates are all entities over which the company has significant influence but not control or joint control. This is generally the case where the company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the company's share of the post-acquisition profits or losses of the investee in profit or loss, and the company's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the company.

#### (c) Revenue recognition

WEHI recognises income from its main revenue/income streams, as listed below:

##### Research grants, Infrastructure grants, donations and bequests

When WEHI receives government grants, donations and bequests that are within the scope of AASB 1058 (being a transaction where the consideration paid to acquire an asset is significantly less than fair value principally to enable WEHI to further its objectives), it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied.

In all other cases (where the contract is not 'enforceable' or the performance obligations are not 'sufficiently specific'), the transaction is accounted for under AASB 1058, unless where WEHI has recognised this under AASB 9 Financial Instruments, as a financial liability on contract inception.

In these instances WEHI:

- Recognises the asset in accordance with the requirements of other relevant applicable Australian Accounting Standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138)
- Considers whether any other financial statement elements should be recognised ('related amounts') in accordance with the relevant applicable Australian Accounting Standard including:
  - contributions by owners (AASB 1004)
  - a lease liability (AASB 16)
  - a financial instrument (AASB 9)
  - a provision (AASB 137)
- Recognises income immediately in profit or loss for the excess of the initial carrying amount of the asset over any related amounts recognised.

##### Capital grants – Buildings and Equipment

For capital grants received under an enforceable agreement where it includes a transfer to enable WEHI to acquire or construct a recognisable non-financial asset to identified specifications which will be controlled by WEHI when completed, WEHI recognises a liability for the excess of the fair value of the transfer over any related amounts recognised and recognises income as it satisfies its obligations under the transfer. As the capital grants received by WEHI are primarily for buildings works and scientific equipment, WEHI recognises income as the building works are completed and as equipment is purchased/constructed (when it satisfies its obligations).

##### Royalty Income

Royalty income is accounted for under AASB 15 and is recognised when there is an enforceable right to receive income.

##### Sales of goods/services

Revenue is recognised when control of the goods has been transferred to the customer or the service/performance obligation has been provided.

#### (d) Property, plant and equipment

Property, plant and equipment held for use in research, or for administrative purposes, are recorded at historical cost, less accumulated depreciation. Cost comprises expenditure that is directly attributable to the acquisition of the item and subsequent costs incurred to replace parts that are eligible for capitalisation.

Depreciation is on a straight-line basis over the estimated useful life of the asset. A regular review of useful lives, depreciation rates and residual values is conducted at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Items of property, plant and equipment are derecognised upon disposal or when no further economic benefits are expected from their use or disposal. Gains and losses on disposals of items of property, plant and equipment are determined by comparing proceeds with carrying amounts and are included in the statement of comprehensive income when realised.

The following table indicates the expected useful lives of non current assets on which the depreciation charges are based.

Buildings	20 - 40 years
Plant and equipment	3 - 20 years
Furniture and fittings	5 - 20 years

#### (e) Investments and other financial assets

WEHI classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value, either through Other Comprehensive Income or through profit or loss (Investments), and
- those to be measured at amortised cost (Cash and cash equivalents, Trade and other receivables).

##### Financial assets

###### (i) Initial measurement and recognition

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on the trade date, that is, the date that WEHI commits to purchase or sell the asset. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

###### (ii) Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Despite the foregoing, WEHI may make the following irrevocable election/designation at initial recognition of a financial asset:

- WEHI may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- WEHI may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

##### **Financial assets at amortised cost using the effective interest method**

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowances. WEHI's cash and cash equivalents and trade receivables fall within this category.

Interest income is recognised in profit or loss and is included within Investment income.

##### **Debt Instruments at fair value through other comprehensive income (FVTOCI)**

The corporate bonds held by WEHI are classified as FVTOCI. Subsequently, changes to the carrying value due to foreign exchange, impairment and interest income are recognised in profit or loss. All other changes in the carrying value will be recognised in other comprehensive income. Upon derecognition, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

##### **Equity instruments at fair value through other comprehensive income (Equity FVTOCI)**

On initial recognition, WEHI may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to General Funds.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with AASB 9 and are included within Investment income.

##### **Financial assets at fair value through profit or loss (FVTPL)**

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. WEHI's investment in hybrid instruments and managed domestic and international share funds fall within this category.



(iii) Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

(iv) Impairment of financial assets

WEHI recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

WEHI recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, WEHI measures the loss allowance for that financial instrument at an amount equal to a 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(v) Term Deposits are recorded at amortised cost, with revenue recognised on an accruals basis.

(vi) Dividend revenue is recognised when the dividend is received. Interest revenue is recognised and accrued on a time proportionate basis that takes into account the effective yield on the financial asset.

**Financial liabilities**

Financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss, of which WEHI does not have any.
- Financial liabilities at amortised cost (Trade and other payables, Unearned grants and fellowships).

**Financial liabilities at amortised cost**

After initial recognition, financial liabilities at amortised cost are measured using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

WEHI administers some of its research grant contracts on behalf of its researchers whilst retaining substantially all the risks and rewards of ownership of the funds associated with the research grants. Accordingly WEHI recognises the transferred asset, being the grant funds, in its entirety as a financial asset, and recognises an equal amount as a financial liability for the consideration received.

In subsequent periods, WEHI recognises an income as and when the funds are expended, representing the relinquishment of that portion of WEHI's obligation to refund advances of research funding previously held on the statement of financial position.

**(f) Cash and cash equivalents**

Cash comprises cash on hand and on-demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition.

**(g) Trade and other receivables**

Trade and other receivables are initially recorded at fair value and are generally due for settlement within 30 days from date of invoice. A provision for expected credit loss (ECL) is recognised in accordance with AASB 9. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that WEHI expects to receive, discounted at an approximation of the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. When a trade receivable for which a provision for expected credit loss has been recognised becomes uncollectible in a subsequent period, it is written off against the provision.

WEHI applies a simplified approach in calculating ECLs. Therefore, WEHI does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. WEHI has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**(h) Trade and other payables**

Trade and other payables represent amounts reflected at notional amounts owed to suppliers for goods and services provided to WEHI prior to the end of the financial year that are unpaid. Trade and other payables are non-interest bearing and have various repayment terms but are usually paid within 30 to 60 days of recognition.

**(i) Research costs**

Research costs are recognised as an expense when incurred and reported in the financial year in which they relate.

**(j) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except:

- (i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- (ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

## **(k) Provisions**

Provisions are recognised when all three of the following conditions are met:

- WEHI has a present obligation (legal or constructive) as a result of a past event
- It is probable that the organisation is required to settle the obligation
- A reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

## **(l) Employee benefits**

Provision is made for benefits accruing to employees in respect of annual leave and long service leave, when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect to annual leave and long service leave for which a current entitlement exists, are measured at their nominal values, using the remuneration rate expected to apply at the time of settlement. These are included in the current provision for employee benefits.

Provisions made in respect to long service leave which are not expected to be settled within 12 months are measured at the present value of the estimated future cash outflows to be made by WEHI in respect of services provided by employees up to the reporting date. These are included in the non-current provision for employee benefits.

## **(m) Foreign currency**

All transactions in foreign currency during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at that date and exchange differences are recognised in the net surplus or deficit in the period in which they arise.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. E.g. translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

## **(n) Leased assets**

### **WEHI as lessee**

WEHI assesses whether a contract is or contains a lease at contract inception. WEHI recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, WEHI recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Assets and liabilities arising from a lease are initially measured on a present value basis.

### **Right-of-use asset**

Right-of-use assets are measured at cost and comprise of the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Right-of-use assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. WEHI reviews right-of-use assets for impairment annually.

### **Lease liability**

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the company under residual value guarantees
- the exercise price of a purchase option if WEHI is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects WEHI exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

### **Concessionary leases**

WEHI has several leases for premises which are provided at significantly below-market terms and conditions, principally to enable WEHI to further its medical research objectives.

WEHI is dependent on these leases as the premises are used to run its operations to deliver medical research outcomes. WEHI is restricted on the use of these premises by the lease providers and may not utilise the premises for other purposes. WEHI measures concessionary leases at cost.

A summary of concessionary leases held by WEHI is located in note 24.

### **WEHI as lessor**

WEHI enters into sub-lease agreements as a lessor with respect to the Parkville and Bundoora premises.

Leases for which WEHI is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. WEHI is currently not the lessor in any finance leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

When a contract includes both lease and non-lease components, WEHI applies AASB 15 to allocate the consideration under the contract to each component.

#### **(o) Impairment of non-financial assets**

All assets are assessed annually for indications of impairment. If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written-off as an expense. The recoverable amount for most assets is measured at the higher of value in use and fair value less costs to sell. Depreciated replacement cost is used to determine value in use. Depreciated replacement cost is the current replacement cost of an item of plant and equipment less, where applicable, accumulated depreciation to date, calculated on the basis of such cost.

#### **(p) Critical accounting judgements and key sources of estimation uncertainty**

In the application of WEHI's accounting policies, which are described above, management may from time to time make judgements, estimates and assumptions about the carrying values of assets and liabilities that may not be readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgement. Key areas in which management has exercised judgement include the calculation of the fair value of financial assets, the carrying value of employee benefits, the carrying value of provisions for net commercial income distribution and revenue recognition assessment (refer to respective notes).

#### **(q) Comparatives**

During the year we have reviewed the structure of the Statement of profit or loss and other comprehensive income to make it less complex and more relevant to users. The significant changes made relate mainly to reclassifications and grouping of some revenue and expenses as follows:

- Reclassify realised foreign exchange gain/losses from Investment income to Other Expenses
- Reclassify unrealised foreign exchange gain/loss on investments to Gain/Loss on FVTPL instruments
- Reclassify unwinding of discount on provision for distribution of net commercial income from Professional Services expenses to Finance income/(costs)
- Reclassify unrealised foreign exchange gains/losses on bank accounts from Operating Surplus/(Deficit) to Net Surplus/(Deficit)  
Group staff costs previously disclosed under Scientific laboratories, Support laboratories and Professional Service Costs to Employee related expenses
- Group scientific related expenses previously disclosed under Scientific and Support laboratories and Strategic Initiatives to Scientific consumables and other expenses
- Reclassify administrative expenses and building costs previously disclosed under Scientific laboratories, Support laboratories and Professional Service Costs to Other expenses

The comparatives have been reclassified and repositioned for consistency with current period disclosure.

Comparative figures can also be adjusted to conform to changes in presentation for the current financial period where required by accounting standards or as a result of changes in accounting policy.

#### **(r) Impact of new and amended standards adopted**

WEHI has applied the following standards and amendments for the first time for the annual reporting period commencing 1 January 2022:

- AASB 2020-3 Amendments to AASB 116 – Property, Plant and Equipment: Proceeds before Intended Use.  
AASB 116 Property, plant and equipment prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related costs in profit or loss.
- AASB 2020-3 Amendments to AASB 137 – Onerous Contracts – Cost of Fulfilling a Contract.  
AASB 137 Provisions, contingent liabilities and contingent assets specify which costs a company includes when assessing whether a contract will be loss-making.

The amendments listed above did not have any significant impact on the amounts recognised in the current periods.

#### **(s) New standards and interpretations not yet adopted**

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by WEHI. These standards, amendments or interpretations are not expected to have a material impact on the company in the current or future reporting periods and on foreseeable future transactions.

		2022	2021
	Note	\$'000	\$'000
<b>2. Operating revenue</b>			
Operating revenue includes:			
<b>(a) Fundraising and grant income</b>			
NHRMC fellowships, scholarships and other grants		41,499	41,820
Industrial grants		17,588	12,181
Philanthropic grants and fellowships		16,517	13,895
Other government grants		25,410	27,998
Donations and bequests		31,949	28,227
		<b>132,963</b>	<b>124,121</b>
<b>(b) Other income</b>			
Royalty income		2,434	770
Royalty monetisation income (venetoclax)		-	27,590
General income		7,300	9,105
		<b>9,734</b>	<b>37,465</b>
<b>(c) Investment income</b>			
Dividends		21,364	21,550
Franking credits		6,271	6,803
Interest		8,105	2,153
		<b>35,740</b>	<b>30,506</b>
<b>3. Operating expenses</b>			
Operating expenses include:			
<b>(a) Employee related expenses</b>			
Salaries		89,903	86,448
Contributions to superannuation and pension schemes		13,927	12,315
Staff allowances		6,668	5,486
Other		9,208	4,244
Staff and student income distribution		1,875	(103)
		<b>121,581</b>	<b>108,390</b>
The number of employees at end of financial period (full time equivalents) are as follow:			
Staff		898	819
Visiting scientists		12	8
		<b>910</b>	<b>827</b>
<b>(b) Other expenses</b>			
The following items of expenses are included in operating (deficit)/surplus:			
Building operation costs		6,254	5,413
Administration expenses		7,300	4,429
IT services		3,824	4,803
Travel		2,555	597
Advertising and marketing		1,665	2,027
Assets written off	10	142	4,422
Depreciation	10	13,257	12,908
Amortisation	11	490	51
Operational net foreign exchange loss/(gain)		330	(831)
<b>4. Finance income/(costs)</b>			
Unwinding of discount on provisions for distribution of net commercial income		5,630	(1,070)
Bank interest		165	15
Interest on term deposit		14	16
Lease interest		(94)	-
Bank charges and merchant fee		(66)	(48)
		<b>5,649</b>	<b>(1,087)</b>



## 5. Directors' remuneration

The directors of the Walter and Eliza Hall Institute of Medical Research during the period were:

MW Broomhead	J Gunn	ME McDonald	JS Hemstritch
P Connolly	C Kilpatrick	JS Savill	K Wong
J Dyson	J McCluskey	C Viney	RH Wylie

P Collins (resigned 24 Feb 2022)

G Roberts (appointed 1 Sep 2022)

Angeli Weller (appointed 2 Mar 2022)

The aggregate income paid or payable, or otherwise made available, in respect of the financial period, to all directors of WEHI, directly or indirectly, by WEHI or by any related party was nil (2021: nil).

Aggregate retirement benefits paid to all directors of WEHI, by WEHI or by any related party was nil (2021: nil).

	2022	2021
	\$'000	\$'000
Audit of the financial statements	77	70
Other regulatory audit services	4	-
	<b>81</b>	<b>70</b>

## 6. Auditors' remuneration

## 7. Investments in associates and joint ventures

	Carrying value		Gain on merger		Share of profits/(losses) of equity accounted investments		% of ownership interest		Measure-ment method
	2022	2021	2022	2021	2022	2021	2022	2021	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%	%	
Biotech Incubator Limited <sup>(1)</sup>	6,462	-	-	-	6,462	-	33.3%	-	Equity
Catalyst Therapeutics Pty Ltd <sup>(2)</sup>	-	1,020	-	-	(5,482)	(377)	49.0%	49.0%	Equity
Victorian Comprehensive Cancer Centre Limited (VCCC) <sup>(3)</sup>	844	496	-	-	348	(451)	10.0%	10.0%	Joint Control
Accrue Therapeutics Pty Ltd <sup>(4)</sup>	-	-	4,068	-	683	-	-	-	Equity
	<b>7,306</b>	<b>1,516</b>	<b>4,068</b>	<b>-</b>	<b>2,011</b>	<b>(828)</b>			

(1) Biotech Incubator Limited

WEHI, CSL and the University of Melbourne have come together to create a start-up incubator to support and grow early-stage Australian biotech companies. The incubator is scheduled to open in 2023 and will be able to accommodate up to 40 early-stage companies from around Australia. WEHI will contribute funding along with its partners, in addition to funding from the Victorian Government's new landmark Breakthrough Victoria Fund.

(2) Catalyst Therapeutics Pty Ltd (Catalyst) is a joint venture between WEHI and SYNthesis Research Pty Ltd. Catalyst facilitates and accelerates the commercialisation of small molecule drug discoveries originating at the Institute. Catalyst owns 100% of equity in Anaxis Pharma Pty Ltd, an Australian Biotech company developing novel inhibitors / modulators of cell death, specifically necroptosis, an inflammatory form of programmed cell death.

In 2022, the opening carrying value of Catalyst (\$1,020,000) was written down to nil due to the entity being in net liabilities position. WEHI also recognised additional losses associated with recoverability of receivables as at 31 December 2022.

(3) WEHI is a Member of the Victorian Comprehensive Cancer Centre Joint Venture (the VCCC) and WEHI retains joint control over the arrangement, which it has classified as a Joint Operation. The vision for the VCCC is to save lives through the integration of cancer research, education and patient care. Through innovation and collaboration, the VCCC will drive the next generation of improvements in prevention, detection and cancer treatment. This vision will further the objectives of WEHI. The VCCC is a not-for-profit organisation and has been recognised by the Australian Taxation Office as a Health Promotion Charity.

(4) WEHI acquired a 31.6% interest in Accrue Therapeutics Pty Ltd (Accrue) in May 2022 for cash consideration of \$400,000 and intellectual property contribution valued at \$1,500,000. Accrue merged with Entact Bio, Inc. in November 2022 and a gain on merger of \$4,068,000 has been recognised in share of profit/(loss) of equity accounted investments. WEHI holds a 2.95% share in Entact Bio, Inc. (refer note 9) and does not hold any interests in Accrue as at 31 December 2022.

## 7. Investments in associates and joint ventures (continued)

The table below provides summarised financial information for those associates and joint control entities that are material to WEHI. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint control entities and not WEHI's share of those amounts. They have been amended to reflect adjustments made by the company when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

### Summarised financial information for associates and joint control

Summarised balance sheet	Biotech Incubator Ltd		Catalyst Therapeutics Pty Ltd		VCCC Limited	
	31 Dec 22	31 Dec 21	31 Dec 22	30 Jun 21	30 Jun 22	30 Jun 21
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>						
Total Bank	2,921	-	448	2,060	4,153	5,586
Total Current Assets	6	-	6	6	5,468	216
Non-current Assets	19,352	-	2	79	441	167
<b>Total Assets</b>	<b>22,279</b>	<b>-</b>	<b>456</b>	<b>2,145</b>	<b>10,062</b>	<b>5,969</b>
<b>Liabilities</b>						
Current Liabilities	413	-	6,704	63	1,426	826
Non-current Liabilities	2,480	-	-	-	198	179
<b>Total Liabilities</b>	<b>2,893</b>	<b>-</b>	<b>6,704</b>	<b>63</b>	<b>1,624</b>	<b>1,005</b>
<b>Net Assets</b>	<b>19,386</b>	<b>-</b>	<b>(6,248)</b>	<b>2,082</b>	<b>8,438</b>	<b>4,964</b>
Equity	19,386	-	(6,248)	2,082	8,438	4,964
<b>Total Equity</b>	<b>19,386</b>	<b>-</b>	<b>(6,248)</b>	<b>2,082</b>	<b>8,438</b>	<b>4,964</b>
<b>Reconciliation to carrying amounts</b>						
Opening net assets 1 January	-	-	2,082	2,495	4,964	9,476
Profit/(Loss) for the period	19,386	-	(8,330)	(413)	3,474	(4,512)
Other comprehensive income	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-
Closing net assets	<b>19,386</b>	<b>-</b>	<b>(6,248)</b>	<b>2,082</b>	<b>8,438</b>	<b>4,964</b>

	2022	2021
8. Trade and other receivables	\$'000	\$'000
Debtors	6,666	4,728
Accrued income	15,163	9,677
Franking credits receivable	2,873	8,254
Goods and Services Tax receivable	122	6
Royalty income receivable (venetoclax monetisation)	-	27,590
	<b>24,824</b>	<b>50,255</b>

	2022 \$'000	2021 \$'000
<b>9. Financial assets</b>		
<b>Investments in debt instruments classified as FVOCI</b>		
Corporate bonds	136,412	96,535
Government bonds	12,051	-
<b>Investments in equity instruments designated as FVOCI</b>		
Domestic equities	217,743	286,286
International equities	81,328	158,926
<b>Other investments classified as FVTPL</b>		
Domestic managed fund	3,400	6,324
International managed fund	45,486	42,431
Hybrid instruments	69,472	81,193
	<b>565,892</b>	<b>671,695</b>
<b>Investments in unlisted entities designated as FVOCI</b>		
Investments in unlisted entity	4,817	-
<b>Total Investments</b>	<b>570,709</b>	<b>671,695</b>

**(a) Fair value measurements recognised in the statement of financial position**

The following table provides an analysis of financial instruments that are measured, subsequent to initial recognition, at fair value, grouped into levels 1 to 3 based on:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than those quoted prices included within level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset that are not based on observable market data

	Level 1	Level 2	Level 3	31 December 2022 Total
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets measured at fair value</b>				
Quoted shares and managed funds	347,957	-	-	347,957
Floating rate securities	69,472	85,620	-	155,092
Fixed rate securities	-	62,843	-	62,843
Unquoted shares*	-	-	4,817	4,817
<b>Total</b>	<b>417,429</b>	<b>148,463</b>	<b>4,817</b>	<b>570,709</b>

\*As at 31 December 2022, WEHI held a 2.95% (2021: nil) aggregate share of equity in Entact Bio, Inc., a US based company, with a carrying value of \$4,817,000.

## 10. Property, plant and equipment

	Buildings	Work in progress	Plant and equipment	Furniture and fittings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 31 December 2021</b>					
Cost	196,020	14,927	97,474	2,733	311,154
Accumulated depreciation	(62,778)	-	(51,733)	(1,953)	(116,464)
<b>Net carrying amount</b>	<b>133,242</b>	<b>14,927</b>	<b>45,741</b>	<b>780</b>	<b>194,690</b>
<b>Cost</b>					
<b>At 1 January 2022</b>	<b>196,020</b>	<b>14,927</b>	<b>97,474</b>	<b>2,733</b>	<b>311,154</b>
Additions	-	12,411	-	-	12,411
Transfers	3,255	(11,575)	7,732	588	-
Assets written off	-	(142)	-	-	(142)
<b>Balance at 31 December 2022</b>	<b>199,275</b>	<b>15,621</b>	<b>105,206</b>	<b>3,321</b>	<b>323,423</b>
<b>Accumulated depreciation</b>					
<b>At 1 January 2022</b>	<b>(62,778)</b>	<b>-</b>	<b>(51,733)</b>	<b>(1,953)</b>	<b>(116,464)</b>
Depreciation expense	(5,178)	-	(7,871)	(208)	(13,257)
<b>Balance at 31 December 2022</b>	<b>(67,956)</b>	<b>-</b>	<b>(59,604)</b>	<b>(2,161)</b>	<b>(129,721)</b>
<b>Net carrying amount</b>					
<b>At 31 December 2022</b>	<b>131,319</b>	<b>15,621</b>	<b>45,602</b>	<b>1,160</b>	<b>193,702</b>

	2022	2021
	\$'000	\$'000
<b>11. Right of use assets</b>		
<b>Carrying amounts</b>		
<b>Buildings</b>		
At cost	6,056	3,200
Accumulated depreciation	(1,173)	(703)
	<b>4,883</b>	<b>2,497</b>
<b>Equipment</b>		
At cost	198	198
Accumulated depreciation	(83)	(63)
	<b>115</b>	<b>135</b>
<b>Total</b>	<b>4,998</b>	<b>2,632</b>

Additions to the right-of-use assets during the 2022 financial year were \$2,856,000 (2021: Nil).

The statement of profit or loss shows the following amounts relating to leases:

<b>Depreciation</b>		
Buildings	470	32
Equipment	20	19
<b>Total depreciation</b>	<b>490</b>	<b>51</b>
Interest expense included in finance costs	94	-

## 12. Trade and other payables

Trade creditors	18,445	8,951
Accrued expenses	6,825	4,970
	<b>25,270</b>	<b>13,921</b>



	2022	2021
	\$'000	\$'000
<b>13. Provisions</b>		
<b>Current</b>		
Provision for net commercial income distribution	4,462	3,757
Provision for employee benefits*	22,984	23,805
	<b>27,446</b>	<b>27,562</b>
<b>Non current</b>		
Provision for employee benefits	2,294	2,348
Provision for net commercial income distribution	22,240	31,360
	<b>24,534</b>	<b>33,708</b>
	<b>51,980</b>	<b>61,270</b>

\* Included in current employee provisions are \$10,970,000 (2021: \$12,376,000) of long service leave for which a current entitlement exists.

#### 14. Unearned grants and fellowships

Grants and fellowships already committed and applicable to future periods:

Grants	58,598	51,687
Fellowships	958	1,450
Capital Grants	512	3,001
	<b>60,068</b>	<b>56,138</b>

#### 15. Other liabilities

##### Current

Staff Salary Packaging deposits	280	361
Lease liabilities	602	-
	<b>882</b>	<b>361</b>

##### Non current

Lease liabilities	1,935	-
	<b>1,935</b>	<b>-</b>

		2022	2021
		\$'000	\$'000
<b>16. Capital funds</b>			
<b>(a) The net deficit for the financial period is \$640,000 (2021: surplus \$57,522,000)</b>			
This has been appropriated as follows:	Note		
Transfer to Permanent Invested Fund	16(b)	1,775	27,350
Transfer to/(from) General Fund	16(c)	(3,956)	28,358
Transfer to/(from) Royalty Fund	16(d)	(567)	254
Transfer to Leadership Fund	16(e)	1,766	1,298
Transfer to Discovery Fund	16(f)	342	262
<b>Total appropriations to funds</b>		<b>(640)</b>	<b>57,522</b>
<b>(b) Permanent Invested Fund</b>			
Permanent Invested Funds originate from donations and bequests, the income from which is applied as stipulated by the donor, or to general research where there is no specific stipulation. These donations and bequests are appropriated to Capital Funds.			
Balance at beginning of period		229,672	202,322
Transfers between Funds		8,675	-
Net surplus for the year		1,775	27,350
<b>Total Permanent Invested Fund</b>		<b>240,122</b>	<b>229,672</b>
<b>(c) General Fund</b>			
General Funds consist of the net accumulation of surpluses and deficits of prior years.			
Balance at beginning of period		419,077	383,847
Transfers between Funds		(16,034)	-
Transfers from Investment revaluation reserve on sale of investment		9,110	6,872
Net (deficit)/surplus for the year		(3,956)	28,358
<b>Total General Fund</b>		<b>408,197</b>	<b>419,077</b>
<b>(d) Royalty Fund</b>			
The Royalty Fund consists of the balance of royalties received in respect of patented inventions and not expended.			
Balance at beginning of period		56,389	56,135
Net (deficit)/surplus for the year		(567)	254
<b>Total Royalty Fund</b>		<b>55,822</b>	<b>56,389</b>
<b>(e) Leadership Fund</b>			
The Leadership Fund consists of donations and income earned thereon. The Leadership Fund was established in honour of Professors Gustav Nossal, Donald Metcalf, Jacques Miller and Suzanne Cory to provide named fellowships to nurture the development of outstanding young scientists with the potential to be future leaders of biomedical research.			
Balance at beginning of period		30,225	28,927
Transfers between Funds		3,268	-
Net surplus for the year		1,766	1,298
<b>Total Leadership Fund</b>		<b>35,259</b>	<b>30,225</b>
<b>(f) Discovery Fund</b>			
The Discovery Fund consists of donations and income earned thereon, less funds spent on research to date. The Fund was established by WEHI to support specialist research and will be applied based on the merits of submissions to WEHI Director. There are three areas of focus: early drug discovery, blue sky basic biological research and technical innovation.			
Balance at beginning of period		5,746	5,484
Transfers between Funds		253	-
Net surplus for the year		342	262
<b>Total Discovery Fund</b>		<b>6,341</b>	<b>5,746</b>
<b>(g) Investment revaluation reserve</b>			
The Investment Revaluation Reserve consists of gains and losses recognised through movement in the fair value of investments and other financial assets.			
Balance at beginning of period		125,878	80,749
Transfers between Funds		3,838	-
Transfers to General Funds on sale of investments		(9,110)	(6,872)
Revaluation (loss)/gain on investments for the year		(38,080)	52,001
<b>Total investment revaluation reserve</b>		<b>82,526</b>	<b>125,878</b>
<b>Total capital funds</b>		<b>828,267</b>	<b>866,987</b>

	2022 \$'000	2021 \$'000
<b>17. Notes to statement of cash flows</b>		
<b>(a) Reconciliation of cash</b>		
For the purposes of the statement of cash flows, cash includes cash on hand, cash at bank, monies held at trust (salary packaging bank account for staff) and investments in money market instruments, net of outstanding bank overdrafts.		
Cash at the end of the financial period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash	27,801	21,296
Deposits at call	137,531	40,455
Term Deposits	-	15,000
	<b>165,332</b>	<b>76,751</b>
<b>Represented by:</b>		
Cash held at bank	165,052	76,390
Cash balances not available for use		
Monies Held in Trust - Staff Salary Packaging Deposits	280	361
	<b>165,332</b>	<b>76,751</b>
<b>(b) Reconciliation of net surplus to net cash flows from operating activities</b>		
Net (deficit) / surplus	(640)	57,522
Depreciation and amortisation	13,746	12,959
Gain on disposal of property, plant and equipment	-	(21)
Assets written off	142	4,422
Donations and bequests moved to Permanent funds	(1,620)	(227)
Fair value adjustment for investments (FVTPL)	8,432	(10,689)
Dividend reinvestment plans	(3,246)	-
Grants and donations for capital works	(2,542)	(1,460)
Foreign exchange gain	(6,390)	(5,153)
Shares received as donations	(2,723)	(27,063)
Gain on merger	(4,068)	-
Share of profits of equity accounted investments	(2,011)	-
	<b>(920)</b>	<b>30,290</b>
<b>Changes in net assets and liabilities:</b>		
Trade and other receivables	23,336	8,480
Prepayments	(392)	1,116
Trade and other payables	8,902	(4,197)
Current provisions	(116)	(9,886)
Unearned grants and fellowships	3,930	10,511
Lease liabilities	2,537	-
Non-current provisions	(9,174)	1,197
<b>Net cash from operating activities</b>	<b>28,103</b>	<b>37,511</b>
<b>(c) Non-cash financing and investing activities</b>		
During the financial period:		
Dividends of \$3,245,775 (2021: nil) were reinvested as part of dividend and distribution reinvestment plans.		

## 18. Economic dependency

WEHI is reliant upon grants from the Australian Government National Health and Medical Research Council for 22.4% of operating expenditure (2021: 23.7%) and the Victorian Government Department of Health and Human Services, Department of State Development, Business and Innovation for 4.8% of operating expenditure (2021: 5.2%) for support of its basic research activities.

## 19. Segment information

WEHI is a medical research organisation focussed on the nationally and globally significant areas of health being Cancer Research and Treatments, Healthy Development and Ageing, Infection, Inflammation and Immunity, Computational Biology and New Medicines and Advanced Technologies. All operations are predominantly in Australia.

	2022 \$'000	2021 \$'000
<b>20. Capital expenditure commitments</b>		
Not longer than 1 year	4,175	2,414
After 1 year but not more than 5 years	525	-
	<b>4,700</b>	<b>2,414</b>

## 21. Related party disclosures

### (a) Transactions with associates and joint ventures

WEHI received fees during the year from Catalyst Therapeutics Pty Ltd and Anaxis Pharma Pty Ltd totalling \$2,266,108 (2021: \$1,310,882) for services rendered on normal commercial terms.

WEHI did not receive any royalties during the year from Anaxis Pharma Pty Ltd (2021: nil).

WEHI made no equity contributions during the year to Catalyst Therapeutics Pty Ltd (2021: nil).

WEHI received no return of capital during the year, from either Catalyst Therapeutics Pty Ltd or Anaxis Pharma Pty Ltd (2021: nil).

WEHI made membership contributions to the Victorian Comprehensive Cancer Centre (VCCC) totalling \$168,671 (2021: \$155,340). WEHI also received fees from the VCCC for collaborator initiatives undertaken during the year of \$584,650 (2021: \$128,150).

### (b) Transactions with directors and director-related entities

During the year various Directors and Director-related entities made donations to WEHI totalling \$161,500 (2021: \$195,300).

### (c) Compensation for key management personnel

	2022 \$	2021 \$
The aggregate compensation of the key management personnel of WEHI is set out below:		
Short-term employee benefits	2,248,918	2,163,026
Post-tax employment benefits	337,710	330,388
	<b>2,586,628</b>	<b>2,493,414</b>



## 22. Superannuation commitments

### (a) Institute employees are members of a range of superannuation funds, which are divided into the following categories:

Those operative and open to membership by new employees:

UniSuper – Accumulation Super (1)

Other superannuation funds chosen by employees.

Those closed to future membership by Institute employees:

Unisuper – Defined Benefit Division

Unisuper – Accumulation Super (2)

### (b) UniSuper plans

UniSuper is a multi employer superannuation fund operated by UniSuper Limited as the corporate trustee and administrated by UniSuper Management Pty Ltd, a wholly owned subsidiary of UniSuper Limited. The operations of UniSuper are regulated by the Superannuation Industry (Supervision) Act 1993.

(i) The UniSuper schemes known as the Defined Benefit Division or Accumulation Super (2) were only available to contributing members of the Walter and Eliza Hall Institute of Medical Research Superannuation Fund (1979) which closed in 2003.

(ii) The maximum contribution rate to the schemes is 25.25% of member's salary of which the member contributes 8.25% before tax and WEHI 17%.

(iii) UniSuper has advised that the Accumulation Super (2) and Defined Benefit Division plans are defined as multi-employer defined contribution schemes in accordance with AASB 119 Employee Benefits. AASB 119 Employee Benefits states that this is appropriate for a defined benefit plan where the employer does not have access to the information required and there is no reliable basis for allocating the benefits, liabilities, assets and costs between employers.

(iv) The number of members of the Walter and Eliza Hall Institute of Medical Research Superannuation Fund (1979) who became members of the UniSuper – Defined Benefit Division when the fund closed in 2003 was 204. The number of Institute employees who are members of the Defined Benefit Division as at 31 December 2022 was 56 (2021: 59).

(v) New employees who commenced after 1 July 2003 currently have a minimum contribution of 10.5% of their annual salary contributed by WEHI to Accumulation Super (1) or to a fund of their choice prescribed under the Superannuation Guarantee Charge Act (1992).

	2022	2021
	\$'000	\$'000
<b>(c) The total superannuation contributions by WEHI during the period in respect to the above plans were:</b>		
UniSuper – Defined Benefit Division	1,346	1,341
UniSuper – Accumulation Super (2)	288	287
UniSuper – Accumulation Super (1)	9,763	8,677
Other superannuation funds	2,530	2,010
<b>Total</b>	<b>13,927</b>	<b>12,315</b>

## 23. Financial Risk Management

### (a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 1 to the financial statements.

### (b) Significant terms, conditions and objectives of derivative financial instruments

WEHI does not enter into or trade derivative financial instruments.

### (c) Capital risk management

WEHI manages its capital to ensure it will be able to continue as a going concern whilst maximising its return on investments within the risk profile maintained by WEHI. The capital structure consists of Permanent Funds, General Funds and reserves.

### (d) Financial risk management

WEHI minimises financial risk through the charter given to the investment sub-committee. In line with this charter, WEHI invests short term funds in an appropriate combination of fixed and floating instruments.

### (e) Interest rate risk management

WEHI is exposed to interest rate risk as it invests funds at both fixed and floating interest rates. The majority of financial assets in this class are bank accounts, bank bills and fixed interest securities with varying interest rates.

### (f) Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 25 basis point variation was used as the minimum point and 100 basis point variation as the maximum point. This is consistent with the management's view of interest rate sensitivity. A change in interest rates would impact net results as follows:

Interest rate risk	Minimum 25bp (+/-)		Maximum 100bp (+/-)	
	Dec 22	Dec 21	Dec 22	Dec 21
	\$000's	\$000's	\$000's	\$000's
Effect on surplus - rate decrease	(801)	(576)	(3,201)	(2,303)
Effect on surplus - rate increase	801	576	3,201	2,303

### (g) Equity price sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks at the reporting date.

At reporting date, if the equity prices had been 5% higher or lower:

- net results for the year ended 31 December 2022 would have been unaffected as the equity investments are classified as not held for trading and the fair value through other comprehensive (FVTOCI) election has been made under AASB 9.
- investment revaluation reserve would increase or decrease by \$14.9 million (2021: \$22.3 million) mainly as a result of the changes in fair value of these equity investments.

WEHI's sensitivity to equity prices has not changed significantly from the prior year.

### (h) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to WEHI. WEHI has adopted a policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial loss from defaults. WEHI's exposure is continuously monitored and reviewed. Trade receivables consist of a large number of customers including granting bodies. WEHI does not have a significant credit exposure to any single party or any group of counter parties having similar characteristics. The carrying amount of financial assets recorded in the financial statements represents WEHI's maximum exposure to credit risk.

### (i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate risk management framework for the management of WEHI's short, medium and long-term funding and liquidity management. WEHI manages the liquidity risk by maintaining adequate cash reserves, and by continuously monitoring forecast and actual cash flows while matching the maturity profiles of financial assets. Given the current surplus cash assets, liquidity risk is minimal. The contractual maturity for its non-interest-bearing financial liabilities is \$12.9 million payable within 3 months of 31 December 2022 (2021: \$8.69 million).

### (j) Fair value

The carrying amount of WEHI's financial assets and financial liabilities recorded in the financial statements approximates their fair values. The fair value of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.

## 23. Financial Risk Management (continued)

### (k) Interest rate risk

The following table details WEHI's exposure to interest rate risk as at 31 December 2022 and 31 December 2021

	Average interest rate	Variable interest rate	Fixed Less than 1 year	Fixed 1 to 5 years	Fixed More than 5 years	Non-Interest Bearing	TOTAL
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>31 December 2022</b>							
<b>Financial assets</b>							
Cash and cash equivalents	1.38%	165,332	-	-	-	-	165,332
Trade and other receivables		-	-	-	-	24,824	24,824
Equity investments		-	-	-	-	299,071	299,071
Managed funds		-	-	-	-	48,886	48,886
Floating rate securities	5.54%	-	8,250	84,384	62,458	-	155,092
Fixed rate securities	6.07%	-	6,508	39,898	16,437	-	62,843
Unlisted shares		-	-	-	-	4,817	4,817
		165,332	14,758	124,282	78,895	377,598	760,865
<b>Financial liabilities</b>							
Trade and other payables		-	-	-	-	25,270	25,270
Other liabilities		-	-	-	-	280	280
Lease liabilities	4.85%	-	602	1,935	-	-	2,537
Unearned grants and fellowships		-	-	-	-	60,068	60,068
		-	602	1,935	-	85,618	88,155
<b>31 December 2021</b>							
<b>Financial assets</b>							
Cash and cash equivalents (excluding Term Deposits)	0.16%	61,751	-	-	-	-	61,751
Term Deposits	0.14%	-	15,000	-	-	-	15,000
Trade and other receivables		-	-	-	-	50,255	50,255
Equity investments		-	-	-	-	445,212	445,212
Managed funds		-	-	-	-	48,754	48,754
Floating rate securities	2.98%	-	7,729	73,092	72,613	-	153,434
Fixed rate securities	3.31%	-	1,031	14,546	8,717	-	24,294
		61,751	23,760	87,638	81,330	544,221	798,700
<b>Financial liabilities</b>							
Trade and other payables		-	-	-	-	13,921	13,921
Other liabilities		-	-	-	-	361	361
Unearned grants and fellowships		-	-	-	-	56,138	56,138
		-	-	-	-	70,420	70,420

## 24. Concessionary Leases

Lease	Description of underlying assets	Lease payments	Lease term	WEHI's dependence on leases to further its objectives	Restrictions on the use of the underlying assets specific to WEHI
Parkville crown land	The sub-lease is made on 23 Nov 2011 between Department of Health (Head landlord), and Melbourne Health (Landlord) and WEHI (Tenant). The Department of Health leases Parkville crown land to Melbourne Health for 99 years. Melbourne Health leases Parkville crown land to WEHI for 99 years payable on demand.	\$104 per annum, payable on demand	99 years	The lease provides the land on which WEHI was built to perform medical research.	The crown land is used only for community purposes.
Early Learning and Child Care Centre land *	The sub-lease is made on 31 August 2018 between Department of Health (Head landlord), and Melbourne Health (Landlord) and WEHI (Tenant). The Department of Health leases the land (196 m2 in area at ground level) to Melbourne Health. Melbourne Health leases Parkville crown land to WEHI, payable on demand.	\$104 per annum, payable on demand	21 years	The lease provides the land on which the Early Learning and Child Care Centre was built. This centre was constructed to address one of the most significant barriers to an ongoing career and advancement at WEHI, being access to adequate childcare.	The crown land is used only for community purposes.
Bundoora*	La Trobe University (Landlord) commenced the lease on 31 March 2000 for the former Rio Tinto Building at La Trobe University Campus, Bundoora to WEHI (Tenant).	\$6.25M – paid upfront	99 years	The lease provides the premises for medical research facilities for the Bundoora campus.	Assignment, sublease, mortgage or license is not permitted without La Trobe University's consent.
Wards 8 North and 8 East RMH	Melbourne Health (Landlord) commenced the lease on 16 March 2015 for the areas located on the 8th floor, main block of The Royal Melbourne Hospital to WEHI (Tenant).	nil per annum	Periodic	The lease provides the area on which WEHI is located to perform medical research in conjunction with the Hospital.	Assignment, sublease, mortgage or license is not permitted without Melbourne Health's consent.
Ward 7 north RMH	Melbourne Health (Landlord) commenced the lease on 10 June 2011 for the premises on the plan known as "Ward 7 North" of The Royal Melbourne Hospital to WEHI (Tenant). The rent is payable on demand.	\$1 per annum, payable on demand	21 years	The lease provides the area on which WEHI is located to perform medical research in conjunction with the Hospital.	Assignment, sublease, mortgage or license is not permitted without Melbourne Health's consent.

\* The following concessionary leases are subject to sub-lease arrangements with third parties.

## 25. Contingent liability

WEHI is in the early stages of defending a breach of contract claim in the United States District Court for the Southern District of New York, the outcome of which is not expected this year.

Separately, other legal claims and exposures may arise from the ordinary course of business. There is significant uncertainty as to whether any such future liability may arise, or the amount of any such liability.

## 26. Events after the reporting period

The directors are not aware of any other matter of circumstance which has arisen since the end of the financial year which has significantly affected or may significantly affect the operations of WEHI, results of those operations or the state of affairs of WEHI in subsequent financial years.

## Governance statement

WEHI is a Public Company Limited by Guarantee registered with the ACNC. WEHI abides by the ACNC Governance Standards.

Ultimate responsibility for the governance of WEHI rests with the Board of Directors. This Governance Statement outlines how the Board meets this responsibility.

### Achieving the purpose

The Board's primary role is to ensure that WEHI's activities are directed towards its purpose under its Constitution. The Board ensures that this is achieved in the most efficient and effective way.

### Specific Responsibilities of the Board

The Board fulfils its primary role by:

- selecting, appointing, guiding and monitoring the performance of WEHI's Director;
- approving WEHI's strategic plan developed in conjunction with the WEHI Director, staff and students;
- approving operating and capital budgets proposed by the WEHI Director with the support of Management;
- monitoring Management's adherence to operating and capital budgets;
- monitoring Management's progress in achieving the Strategic Plan;
- ensuring the integrity of internal control, risk management and management information systems;
- ensuring members receive the annual report and financial statements;
- ensuring WEHI complies with relevant legislation and regulations; and
- acting as an advocate for the WEHI whenever and wherever possible.

### Management's Responsibility

WEHI's day-to-day operations and administration are the responsibility of the WEHI Director.

### Board Oversight

The Board oversees and monitors Management's performance by:

- meeting at least four times during the year;
- receiving detailed financial and other reports from management at these meetings;
- receiving additional information and input from management when necessary; and
- assigning to the various Committees of the Board responsibility to oversee aspects of the WEHI's operations and administration. Each Board Committee operates under a Charter approved by the Board. These are reviewed and updated as necessary.

### Board Members

All Board Members are Non-Executive Directors and receive no remuneration for their services.

Appointments to the Board are made to ensure the Board has the right mix of skills and expertise. One Board Member is appointed by the Trustees of the Walter and Eliza Hall Trust and two Board Members are appointed by The University of Melbourne and two by The Royal Melbourne Hospital (Melbourne Health) and up to a further 13 by the Board.

The Company's Constitution specifies:

- there must be no less than 12 and no more than 18 Directors;
- Directors are appointed for a maximum of four terms of three years each, after which Directors may be reappointed annually with the unanimous agreement of all other Board Members; and
- the President and Vice President may hold office for an additional period or periods not exceeding six years.

Board and Committee Members receive information on the terms and conditions of their appointment. Board and Committee Members' knowledge of the business is maintained by scientific presentations, management presentations and visits to WEHI sites.

The performance of individual Board and Committee Members and the Board and Board Committees is assessed regularly.

### Risk Management

The Board oversees WEHI's risk management system, which is designed to protect the Organisation's reputation and manage those risks that might preclude it from achieving its goals.

Management is responsible for establishing and implementing the risk management system, which assesses, monitors and manages operational financial reporting and compliance risks. The Audit, Risk and Compliance Committee is responsible for monitoring the effectiveness of the risk management system between annual reviews.

### Ethical Standards

Board Members, Senior Executives and staff are expected to comply with relevant laws and the codes of conduct of relevant professional and research bodies and to act consistent with WEHI's values of integrity, compassion, fairness and honesty at all times when dealing with colleagues, and others who are stakeholders in our purpose.

### Involving Stakeholders

WEHI has many stakeholders, including our donors and benefactors, our staff and students, the broader community, the government agencies that provide us funds and regulate our operations, and our suppliers.

We adopt a consultative approach in dealing with our stakeholders. We get involved in industry forums to ensure governments at all levels are aware of our concerns and achievements and remain abreast of industry developments.

### Indemnification and Insurance

WEHI insures Directors (and the Company Secretary and Executives) against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director (or Company Secretary or Executive) of the Company, other than conduct involving a wilful breach of duty in relation to the Company.



## Directors' report

The Directors of WEHI submit this Annual Financial Report of the Company for the year ended 31 December 2022. The Directors' report is as follows:

### Directors and Board Meetings

The names and particulars of the Directors of the Company during or since the end of the financial year and attendance at Board meetings in the year ended 31 December 2022 are:

		Joined Board	Meetings held while a Director	Meetings Attended
<b>Jane S Hemstritch</b> <i>Chairperson and President of WEHI</i>	BSc(Hons) FAICD FICA EW, FICA ANZ	2013	7	6
<b>Robert H Wylie</b> <i>Honorary Treasurer</i>	FCA FAICD	2014	7	6
<b>Geoff Roberts</b> <i>Joined 1 September 2022</i>	BComm Melb, FCA, FAICD, Exec MBA AGSM	2022	4	4
<b>Malcolm W Broomhead AO</b>	MBA BE(Civil) FIE(Aus) FAusIMM FAIM MICE(UK) FAICD	2014	7	6
<b>John Dyson</b>	BSc Grad Dip Fin Inv MBA	2016	7	7
<b>Jane Gunn</b>	HMS, FRACGP, PhD, DRANZCOG, MBBS	2021	7	4
<b>James McCluskey AO</b>	BMedSci MBBS MD FRACP FRCPA	2011	7	7
<b>Marie McDonald</b>	BSc (Hons) LLB (Hons)	2016	7	7
<b>Carolyn Viney</b>	LLB/BA	2016	7	6
<b>Christine Kilpatrick AO</b>	MBBS, MBA, MD, FRACP, FRACMA, FAICD, FAHMS, DMedSci (Hons)	2017	7	7
<b>Pippa Connolly</b>	MEng, CPEng, FIEAust, GAICD	2019	7	7
<b>Peter Collins</b> <i>Resigned 24 February 2022</i>	BA(Hons) BTheolMCD, MBA, HEC, DPhil Oxford (Candidate)	2018	1	1
<b>Sir John Savill</b>	BA MBChB PhD FRCP FRCPE FRCSEd (Hon) FRCPCH(Hon) FASN FRSE F.MedSci FRS	2018	7	7
<b>Kee Wong</b>	BEng (Hons), MBA, GradDipComp (Distinction), FAICD	2021	7	4
<b>Angeli Weller</b> <i>Joined 2 March 2022</i>	PhD, MBA, BA (Hons), MAICD	2022	6	6

### The Audit, Risk and Compliance Committee

The role of the Audit, Risk and Compliance Committee is to assist the Board in fulfilling its statutory and fiduciary responsibilities with regard to the review and preparation of its annual accounts, risk management and internal control systems of the WEHI. The Committee met four times during the period under review.

### Principal Activities

The WEHI's principal activity in the financial year was medical research and there has been no significant change in that activity during the financial year.

### Financial Results

The financial results from operations was a net deficit of \$6,649,000 (31 December 2021 net surplus of \$15,816,000). After allowing for non-operational items, the overall result for the period was a deficit of \$640,000 (31 December 2021 surplus of \$57,522,000). Tax is not applicable. The Company is limited by Guarantee, has no share capital and declares no dividends.

### Operations

A review of operations of the WEHI is included in the detailed scientific reports.

### Environmental Regulations

WEHI aims to achieve a high standard in environmental matters. WEHI complies with the *Environmental Protection Act* (Vic) regarding its operations. Discharges to air and water are below specified levels of contaminants and solid waste is disposed of appropriately.

Biomedical waste and sharps are disposed of through appropriately licensed contractors. The Directors have not received notification, nor are they aware of any breaches of environmental laws by WEHI.

## Appreciation

The Board wishes to extend its appreciation to the Members of the various Committees (People and Culture Committee, Human Research Ethics Committee, Investment Committee, Advocacy and Support Committee, Audit, Risk and Compliance Committee, Ethical Practice and Research Integrity Committee, Master Planning Committee and the Commercialisation Committee) as well as the many other people including the WEHI Director, staff, students, overseas visitors and honorary workers, who work so tirelessly to advance the institutes world-wide reputation for excellence in medical research. A table of attendance at the various committees is listed below.

Committee attendance	Meetings held while a member	Meetings attended
<b>Audit and Risk Committee</b>		
Mr Geoff Roberts (Chair) <i>Joined 1 September 2022</i>	2	2
Mr Robert Wylie	4	4
Mr Malcolm Broomhead AO	4	3
Associate Professor Pippa Connolly	4	4
<b>Commercialisation Committee</b>		
Ms Marie McDonald (Chair)	6	6
Dr Leigh Farrell	6	5
Dr Lisa Hennessy <i>Resigned 24 October 2022</i>	4	4
Mr Saul Cannon	6	4
Professor Sir John Savill	6	2
Isabelle Lucet	6	4
John Silke	6	3
Peter Colman <i>Left July 2022</i>	2	1
John Dyson <i>Joined 4 August 2022</i>	4	3
<b>Advocacy and Support Committee</b>		
Mr John Dyson (Chair)	4	4
Dr Paul Cooper	4	4
Mr Michael Daddo <i>Resigned 8 February 2022</i>	-	-
Mr Hugh Hodges	4	4
Ms Caroline Johnston	4	3
Ben Sze <i>Joined 8 July 2022</i>	2	1
Ms Andrea Lapidge	4	4
Ms Catherine Robson <i>Resigned 8 February 2022</i>	-	-
Andrew Brooks <i>Joined 8 July 2022</i>	2	2
Kee Wong <i>Joined 8 July 2022</i>	2	1
Leslie Falkiner-Rose <i>Joined 8 July 2022</i>	2	1

Committee attendance	Meetings held while a member	Meetings attended
<b>People and Culture Committee</b>		
Mrs Jane Hemstritch (Chair)	3	3
Professor Doug Hilton	3	2
Professor Sir John Savill	3	1
Ms Carolyn Viney	3	3
Dr Angeli Weller	3	3
<b>Human Research Ethics Committee</b>		
Mr Peter Collins (Chair)	4	4
Rev Father Michael Elligate	4	2
Dr Daniel Ajak	4	4
Ms Terri Lourey	4	4
Mr Hugh Foley	4	2
Professor Marc Pellegrini	4	4
Ms Louise Steinfert	4	3
Dr Ian Majewski	4	3
Dr Vanessa Bryant	4	3
Ms Jane Fiske	4	1
Ms Bree Ridgeway	4	2
Dr Jeanne Tie	4	2
Ms Sarah Galbraith	4	3
<b>Investment Committee</b>		
Mr Robert Wylie (Chair)	4	4
Mr Geoff Roberts <i>Joined 1 September 2022</i>	2	2
Mr Malcolm Broomhead AO	4	3
Mr Stephen Merlicek	4	4
Mr Stephen Milburn-Pyle	4	4
Mr Andrew Scott	4	4
Ms Fiona Trafford-Walker	4	2
<b>Ethical Practice and Research Integrity</b>		
Dr Angeli Weller (Chair)	2	2
Professor Jane Gunn	2	2
Mr Peter Collins	2	2
Associate Professor Ian Majewski	2	2
Professor Doug Hilton	2	2
<b>Master Planning sub-committee</b>		
Ms Carolyn Viney (Chair)	4	4
Associate Professor Pippa Connolly	4	4
James Cain	4	4

### Auditors' independence declaration

The Auditors' independence declaration is included on page 28 of the financial report.

### Other Matters

- (a) During the financial year there was no significant change in the Company's state of affairs other than that referred to in the accounts or the notes thereto.
- (b) There has not been any other matter or circumstance that has arisen since the end of the financial year, that has significantly affected, or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.
- (c) Disclosure of information regarding likely developments in the operations of the Company in future years and the expected results of those operations is likely to result in unreasonable prejudice to the Company. Accordingly, this information has not been disclosed in this report.
- (d) During the financial year the Company paid a premium in respect of a contract insuring the Directors and Officers of the Company against liability incurred as such a Director or Officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an Officer or Auditor of the Company or any related body corporate against a liability incurred as such an Officer or Auditor.
- (e) The Company is a Company of the kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order amounts in the Directors' report and the financial report are rounded off to the nearest thousand dollars.

Signed in accordance with a resolution of the Directors made pursuant to s.298(2) of the Corporations Act 2001.

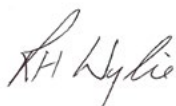
On behalf of the Directors



Jane Hemstritch

President

Melbourne, 23 March 2023



Robert Wylie

Treasurer

## Directors' declaration

Directors' Declaration - per section 60.15 of the Australian Charities and Not-for-Profits Commission Regulation 2013, the Directors declare that in the Directors' opinion:

- (a) there are reasonable grounds to believe that the Company is able to pay all of its debts, as and when they become due and payable; and;
- (b) the financial statements and notes satisfy the requirements of the Australian Charities and Not-for-Profits Commission Act 2012.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-Profits Commission Regulation 2013.



Jane Hemstritch  
President  
Melbourne, 23 March 2023



Robert Wylie  
Treasurer

The Board of Directors  
The Walter and Eliza Hall Institute of Medical Research  
1G Royal Parade  
Parkville VIC 3052

23 March 2023

Dear Board Members

## **The Walter and Eliza Hall Institute of Medical Research**

In accordance with the Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the Directors of The Walter and Eliza Hall Institute of Medical Research.

As lead audit partner for the audit of the financial statements of The Walter and Eliza Hall Institute of Medical Research for the year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Australian Charities and Not-for profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

  
DELOITTE TOUCHE TOHMATSU



Sandra Lawson  
Partner  
Chartered Accountants

## Independent Auditor's Report to the Members of Walter and Eliza Hall Institute of Medical Research

### Report on the Audit of the Financial Report

#### *Opinion*

We have audited the financial report of Walter and Eliza Hall Institute of Medical Research ("WEHI" or the "Entity") which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the declaration by the Directors.

In our opinion, the accompanying financial report of the Entity is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:

- (i) giving a true and fair view of the Entity's financial position as at 31 December 2022 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### *Other Information*

The Directors are responsible for the other information. The other information obtained at the date of the auditor's report comprises the Governance Statement, Directors' Report, Statistical summary and Capital Funds included in the Entity's annual report for the year ended 31 December 2022 but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## *Responsibilities of the Directors for the Financial Report*

The Directors of the Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the ACNC Act and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

## *Auditor's Responsibilities for the Audit of the Financial Report*

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

  
DELOITTE TOUCHE TOHMATSU



Sandra Lawson  
Partner  
Chartered Accountants  
Melbourne, 23 March 2023

## Statistical summary for the year ended 31 December 2022

	2022 \$'000s	2021 \$'000s	2020 \$'000s	2019 \$'000s	2018 \$'000s
<b>Operating revenue</b>					
Australian Government	56,930	59,900	64,798	46,298	45,057
Victorian Government	9,599	9,883	10,311	10,513	10,909
Foreign governments	380	35	-	70	22
<b>Government revenue</b>	<b>66,909</b>	<b>69,818</b>	<b>75,109</b>	<b>56,881</b>	<b>55,988</b>
Industrial grants and contracts	17,588	12,181	13,439	8,689	7,182
Philanthropic grants and fellowships - Australia	10,510	12,563	9,870	13,399	15,759
Philanthropic grants and fellowships - international	6,007	2,885	4,649	3,343	6,824
Investment income	35,740	29,518	19,996	24,156	30,063
Royalty income	2,434	770	1,654	7,483	4,027
General revenue	7,300	9,105	6,842	8,916	8,260
Donations and bequests	31,949	28,227	26,522	15,449	14,766
Royalty monetisation revenue	-	27,590	38,961	35,633	-
<b>Non-government revenue</b>	<b>111,528</b>	<b>122,839</b>	<b>121,933</b>	<b>117,068</b>	<b>86,881</b>
<b>Total revenue</b>	<b>178,437</b>	<b>192,657</b>	<b>197,042</b>	<b>173,949</b>	<b>142,869</b>
<b>Operating expenditure</b>					
Staff costs	121,581	109,662	102,547	98,340	90,493
Scientific laboratories	26,535	24,561	20,212	23,435	23,390
Building operations	6,254	5,585	5,092	5,908	5,801
Administration	13,233	14,716	11,520	8,648	6,715
Fundraising	911	518	502	620	475
Business development	2,355	9,200	2,725	1,219	1,261
Allowance for credit loss increase/(decrease)	-	(32)	(30)	62	188
Royalty monetisation costs	-	(4,418)	2,239	10,104	4,755
Net foreign exchange loss/(gain)	(6,413)	(4,669)	10,282	477	(4,998)
<b>Total expenditure</b>	<b>164,456</b>	<b>155,123</b>	<b>155,089</b>	<b>148,813</b>	<b>128,080</b>
<b>Results from operating activities</b>	<b>13,981</b>	<b>37,534</b>	<b>41,953</b>	<b>25,136</b>	<b>14,789</b>
<b>Other income</b>					
Profit/(loss) on sale of long-term assets	-	161	(135)	297	2
Fair value gain/(loss) on investments	(8,432)	10,549	816	5,261	(589)
Share of profits/(loss) of equity accounted investments	2,011	-	-	-	-
Gain on merger	4,068	-	-	-	-
Donations and bequests capitalised to Permanent Funds	1,620	26,659	673	1,359	6,510
<b>Total other income</b>	<b>(733)</b>	<b>37,369</b>	<b>1,354</b>	<b>6,917</b>	<b>5,923</b>
<b>Other expenses</b>					
Depreciation and amortisation	(13,746)	(12,959)	(11,871)	(10,941)	(9,368)
Impairment of property, plant and equipment	(142)	(4,422)	-	-	-
<b>Total other expenses</b>	<b>(13,888)</b>	<b>(17,381)</b>	<b>(11,871)</b>	<b>(10,941)</b>	<b>(9,368)</b>
<b>Net operating surplus</b>	<b>(640)</b>	<b>57,522</b>	<b>31,436</b>	<b>21,112</b>	<b>11,344</b>
<b>Capital funds</b>					
Permanent invested capital funds	240,122	229,672	202,322	198,833	194,181
General funds	408,197	419,077	394,285	371,193	377,710
Royalty fund	55,822	56,389	56,135	55,039	48,054
Leadership fund	35,259	30,225	28,927	27,965	26,557
Discovery fund	6,341	5,746	5,484	5,271	4,961
Investment revaluation reserve	82,526	125,878	70,311	67,200	8,211
<b>Total funds</b>	<b>828,267</b>	<b>866,987</b>	<b>757,464</b>	<b>725,501</b>	<b>659,674</b>
<b>Capital expenditure</b>					
Property, plant and equipment	15,266	15,710	24,195	12,252	22,029
<b>Staff numbers: (equivalent full-time)</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Scientific research staff:</b>					
- Senior faculty	82	74	85	87	80
- Postdoctoral scientists	276	252	224	213	199
- Visiting scientists	12	8	32	34	36
- Other laboratory research staff	329	313	234	235	241
<b>Supporting staff:</b>					
- Other support services	211	180	204	202	196
<b>Total staff and visiting scientists</b>	<b>910</b>	<b>827</b>	<b>779</b>	<b>771</b>	<b>752</b>
<b>Students</b>	<b>197</b>	<b>194</b>	<b>159</b>	<b>206</b>	<b>192</b>
<b>Papers published</b>	<b>484</b>	<b>477</b>	<b>424</b>	<b>388</b>	<b>417</b>

## Capital Funds

### Permanent Named Capital Funds

The following is a complete listing of all permanent funds held and invested by the Institute at 31 December, 2022.

\*New donations of capital received in current financial period.

Adair John Bequest (ex DW)

Adair John Bequest (ex MF)

Alexander R Estate

Allison-Levick J & H

Alston Peter and Julie Florence Fellowship Fund

Amey AM Estate

Anderson KA Estate

Anderson NM Estate

Angus Dorothy Irene Estate

Arnel Florence Janet Maude Estate

Arter Myra G Estate

Ashford Ivy A Estate

Attwell Samuel E Estate

Atyeo George & Isobel Fund

Baker Alice Lillian Estate

Ballantyne JW Estate

Barfield WG Estate

Barry Joan Elaine Memorial Fund

Bartlett Mary V Estate

Bates Tim Memorial Diabetes Research Fund

Bauer Dr Franz Estate

Bell Valerie Amy

Benjamin EG Estate

Bennett LM Estate

Berry Ruby C Estate

Biderman Cyla Estate

Blain BE Estate

Bland RT Estate

Bock Lindsay William Estate

Boothman Alva Estate

Borrett M A Estate

Bran EG Estate

Brennan EM Estate

Brittain W & VI Mem Fund

Brockhoff Nyon Trust

Brough AV Estate

Brown Isabelle A Estate

Bruce RH Estate

Brumloop LAA Estate

Buckland William Foundation Fund

Buckman Olive Estate

Bult C G Estate

Burley Stanley Estate

Burnet Sir Macfarlane Estate

Burns JC Estate

Cahill JL Estate

Callaway LJ Estate

Cambridge Beresford Estate

Carlin Freda Evelyn Estate

Carling DM Estate

Carlson Catherine Estate

Carlson Elizabeth F Estate

Carty LEW Charitable Fund

Cato EA Estate

Cato MC Estate

Chapman Debbie Memorial Fund

Charles L Bartholomew Estate

Chatfield SL Estate

Claridge John PG Estate

Clark Lindesay Fund

Cockburn Clarice BP Estate

Cole DE Estate

Coles GO Estate

Collie Barbara Estate

Collie Betty Rae

Collie George Estate

Colliver Len Estate

Connolly Grace C Estate

Cormack Margaret Mary

Cory Joy & Desmond Cancer Research Fund

Coultass Hylde M Estate

Courtney Gwendoline Vera Estate

Coutts Dr ELA Estate

Coutts IBM Estate

Craven DA Memorial Fund

Crawford Duncan Estate

Criswick R M Estate

Critchlow Ronald P Estate

Crowley MM Estate

Cubbins SG Estate

Cummings ED Estate

Cutter BE Estate

Darbyshire EJ (Ted) Estate

Davey Dorothy Estate

David Mann Memorial Research Fund

Davidson BI Estate

Davidson EE Estate

Davis FLG Estate

Dawson Anne Marie Estate

Del Cott RAM Estate

Deryk SD Estate

Dick MRK (Ray) Estate

Dickie Phoebe Estate

Dimsey WE Estate

Dobbie Myrtle M Estate

Dodgshun GM Estate

Dossetor Catherine L Estate

Dowie S Estate

Drakensberg Trust

Drury Evelyn Ann Fund

Duncan PH Estate

East James Douglas Estate

Edwards Allen Richard Estate

Edwards HHW Estate

Eisner KR

Ellis GM Estate

Emery Harriet Anne Estate

Eva Michael Ross Estate

Facey Mary Bethune Estate

Fagg Maude V Estate

Fields Ernest Estate

Findlay Winifred Gertrude Estate

Fitzgerald Sheila Mary Estate

Ford Ada Joyce Estate

Fraser K Estate

Galbraith DA & DV Estate

Gerdtz Sheila Lesley G Estate

Gibb Geo & Bennett Wm A

Gilbert Augusta Estate

Gilder CH Estate

Gillon AM Estate

Gilmore Trakka Fund

Girdwood J Estate

Goldman Sachs JB Were Foundation

Gordon H & T Estate

Graves GC Estate

Gray Bessie Mavis Fund

Gray Clara Estate

Greig Harry Douglas Estate

Grubb Walter Joseph Estate

Guest Doris Rose Estate

Hackett Dorothy Estate

Hadfield RCS Estate

Hadley AN Estate

Hamilton M Estate

Harrap FM Estate

Harrap LM Estate

Harris John D & Lyla Foundation

Hartlett K Estate

Haydon Michael JM Memorial Fund

Hearse JD

Hemphill Olive May Estate

Henderson AN Estate

Henderson Joan Estate	Maloney Kathleen Margaret Estate	Parker Barbara Memorial Fund
Henry MA Estate	Mansfield Trevor Geoffrey Estate	Parker Mabel V Estate
Heron Thelma Hope Estate	Marguccio R Estate	Parsons Kathleen FB Estate
Highton GAN Estate	Mariner Barry Leonard Estate	Patten Ralph & Etty Bequest
Hill Ramon Bruce Estate	McArthur Nellie M Estate	Patterson Gerard A Estate
Hind Ruby F Estate	McCooke Miss MH Estate	Paulin Leukaemia Fund
Hocking Helen Estate	McDonald Charles Thomas	Paulin SC Estate
Holmes EM Estate	McDougall Phyllis Mable Estate	Payne Henry and Charlotte Fund
Hooper Nancy Hilda	McGhee ME Estate	Peterson Vera Estate
Hope Irene Estate	McGregor Amy VK Estate	Petley Francis Estate
Hosier MM Estate	McGregor Elvira Ruth Estate	Pierce John Lindsay Estate
Hurry M Estate	McGregor KB Estate	Pietsch Dr CH Fund
Inglis Dulcie M Estate	Mckay C N Fund	Porter Florence JA Estate
Ironside WH Estate	McKinnon Sheila May Estate	Prater Mabel Edward
Jackson Catherine M Estate	McLean Ada Myee Dutton Estate	Pritchard DG Estate
JE Craven & MA Shearer Estates	McLennan B Estate	Pyke MA Estate
Johnson Daphne Adele Estate	McNab M Estate	Qualtrough Research Fund
Johnson Ethel Grace Estate	McNeill Sir James Fund	Rae Olive Estate
Johnson Sydney Robert Estate	McRorie Ruby A Estate	Reeves Jessie Estate
Johnstone Reginald Ben Estate	Menagh Thelma Marie Estate	Reid John T Charitable Trusts
Judd Anita Estate	Miller Lorna May Estate	Reiser Erwin Estate
Kayler-Thomson Marion Estate	Miller MA Estate	Richardson DLK Estate
Keating L Estate	Miller Violet Isabella Estate	Ricker EM Fund
Keats LCA Estate	Minney DW & NR Fund	Roberts JI Charitable Fund
Kellock TH Estate	Mitchell Doris Georgina Mildred	Robertson AT Estate
Kendall Nanyce Douglas	Mitchell G Fund	Rose Norma J Estate
Kerr HM Estate	Mitchell, Bettye Victoria Fund	Ruppel FE Estate
King DM Estate	Moden FHW Estate	Salemann CW Estate
Knight FF Estate	Moody E Vaughan Estate	Sallmann L & E Memorial Fund
Lang John Murray Estate	Moon Ida Alice Estate	Santos TS Estate
Lanigan Annie Maria (Nance) & Janet Mary Fund	Mooney Carmel Mary, Estate of	Schack Elsie Edith Estate
Lanteri Gwen Estate	Moore Phyllis Estate	Scott Annie May Estate
Larard DV Estate	Morgan DM Estate	Sharp II Estate
Leckie Winifred Estate	Morris Foundation of Medical Research	Shaw Eileen Coryn Estate
Lilford VM Estate	Moss EE Estate	Shelton Edgar Estate
Lins RD Estate	Muller FG Estate	Sidwell OB Estate
Little Mabel B Estate	Murray Alan Ambrose Estate	Sir Harold Dew and Family Estate
Lyddon Pauline M Estate	Murray Gwendoline Mary Fund	Skea Lyndal and Jean Leukaemia Fund
Lyell Alexia Bequest	Must Mary Kathleen Bequest	Skinner Phyllis Maye Estate
MacAskill WG & I	Myer Dame Merlyn Estate	Smith Elsie Violet Estate
MacDonald Elsie May Estate	Myer Pam Sallmann Foundation	Smorgon Robert& Jack Family Foundation
Mace Nina May Estate	Nevill Melanie Joy	Snow Freda Estate
Macindoe Jock & Diana Fund	Newton EM Estate	Spence Frank Meldrum
MacIntosh Elizabeth H Estate	Newton Evelyn	Spencer Stanley L Estate
Mackay Ian	Nicholas Harold George Estate	Stanbrough AE Estate
Mackie-Smith CM Estate	Norins Leslie Fund	Stephens L Estate
Macleay The Lillian & Kenneth Bequest	Norton M Estate	Stevens SA Estate
MacNamara Jean Fund	Nossal Sir Gustav Fund	Stevenson Dame Hilda Estate
Mahoney Florence Cancer Fund	Nottingham SG Estate	Stewardson Family Trust
Malcolm Phyllis Elizabeth Estate	Palmer DE Estate	Stewart Jean Elma
	Palmer Ethel Fund	Swingler Maxwell & Mary Bequests

Sydserff Charles SB Estate  
 Syme David Farnell Estate  
 Talbot P Estate  
 Taws GE Arthritis Fund  
 Taws M Estate  
 Taylor Sarah McQuillan Estate  
 The Ruby Bryan Memorial Fund  
 Thomas JC Estate  
 Thompsom LW Estate  
 Thompson O Estate  
 Thorpe Doris EB  
 Tink RM Estate  
 Tinkler VF Estate  
 Tomasetti John T Estate  
 Tressider Edith Kathleen Estate  
 Trezise KW Estate  
 Tropical Diseases Fund  
 Turnbull JG Estate  
 Van Leeuwen GH Estate  
 Vincent-Smith IG Fund  
 Vogel Herta & FB Estate  
 Walker CM Estate  
 Walker Dorothy Hope Estate  
 Wallace Nancy Jeanie Estate  
 Walsh Dr William Butler Memorial Fund  
 Walter Ailsa Amy Mary Estate  
 Warnock EMC nee Riddle Estate  
 Watson MR Estate  
 Waxman Elizabeth H Estate  
 Webb NJ Estate  
 Wedge Erica Estate  
 Weeks Thelma Estate  
 Wekwerth Hilda Frances Estate  
 West John James Estate  
 Westcott Ita E Estate  
 White Morris G Estate  
 Wicks LR Estate  
 Williams AM Estate  
 Williams Irene E Estate  
 Wilson DE Estate  
 Wilson MML Estate  
 Wilson NF Estate  
 Wilson V M (Sunny) Estate  
 Wolstonecroft WW Estate  
 Wright Lynette Oreti Estate  
 \*Z & C Jeffs Family Fund  
 Zillman Dudley V Estate

## Fellowship and Scholarship Funds

Farrant Patricia & John Scholarship Fund  
 Harris Alan Scholarship Fund  
 JHA Munro Foundation  
 Macphee Avis Permanent Fund  
 Mathison G C Research Scholarship  
 Metcalf Donald Scholarship Fund  
 Metcalf Family Cancer Research Fellowship Fund  
 Moffatt Edith Scholarship Fund  
 The Sir Clive McPherson Family Centenary Fellowships  
 Wendy Dowsett Scholarship Fund

## PhD Scholarship Funds

Carty EM Fund  
 Mackay Dr Ian Fund  
 Pearl Paddy Fund  
 Speedy Pauline Scholarship Fund  
 Syme Colin Fund  
 The John and Margaret Winterbottom Bequest  
 Wilson Ed Memorial Fund

## Other Funds

Balderstone Award  
 Gideon Goldstein Fund  
 John and Patricia Farrant Bequest Fund  
 Speedy Pauline Innovation Grant Fund  
 The following Estates in which the Institute had an interest, were managed during the year by Trustees. (Income received by the Institute in the financial period is treated similar to donations):  
 Agnes Maude Reilly Charitable Trust  
 Albert H Maggs Charitable Trust  
 Estate Lindsay James Baldy  
 Estate of Eleanor Margrethe Albiston (The Stang Bequest)  
 Estate of Emily Vera Winder  
 Estate of Ethel Mary Drummond  
 Estate of Florence Mary Young  
 Estate of Maxwell Gardiner Helpman  
 Estate of Sheila Mary Helpman  
 Frederick and Winifred Grassick Memorial Fund  
 Harold & Cora Brennen Benevolent Trust  
 Irene & Ronald MacDonald Foundation  
 John Frederick Bransden Charitable Trust  
 Margaret Lewis Reilly Charitable Trust  
 S.T.A.F - Rupert Ethel & Ronald Fraser & Ruby Thomas

The C.H. Boden Memorial Trust  
 The Frank Broadhurst Memorial Charitable Fund  
 The George Thomas & Lockyer Potter Charitable Trust  
 The Hazel & Pip Appel Fund  
 The Mackie Bequest  
 Thomas, Annie & Doris Burgess Charity Trust

## Leadership Fund

The leadership Fund was established in honour of President Gustav Nossal, Donald Metcalf, Jacques Miller and Suzanne Cory to provide named Fellowships to nurture the development of outstanding young scientists with the potential to be future leaders of biomedical research.

The Leadership Fund at 31 December 2022 included the following permanent funds (\$10,000 and over):

Albert H Maggs Charitable Trust  
 Arthur Andersen & Co Foundation  
 Arthur Robinson & Hedderwicks  
 Betty Eunice Stephens Estate  
 C M Walter  
 Chugai Pharmaceutical Co Ltd  
 Coles Myer Ltd  
 E Vaughan Moody Estate  
 Eunice L Lambert Estate  
 H B Kay Estate  
 Helen Macpherson Smith Trust  
 J B Were & Son Charitable Fund  
 James Kirby Foundation  
 Joe White Bequest  
 Krongold Foundation Pty Limited  
 L M Archibald Estate  
 Leslie D W Stewart Estate  
 National Australia Bank  
 National Mutual Holdings Limited  
 Pacific Dunlop Ltd  
 Professor Sir Gustav Nossal  
 Sheila R White Estate  
 Sir Harold Dew and Family Estate  
 Stephelle Pty Ltd  
 The Broken Hill Proprietary Company Limited  
 The Ian Potter Foundation  
 The R & J Law-Smith Gift  
 The Scobie and Claire MacKinnon Trust  
 The Sidney Myer Fund  
 Victor Smorgon Charitable Fund

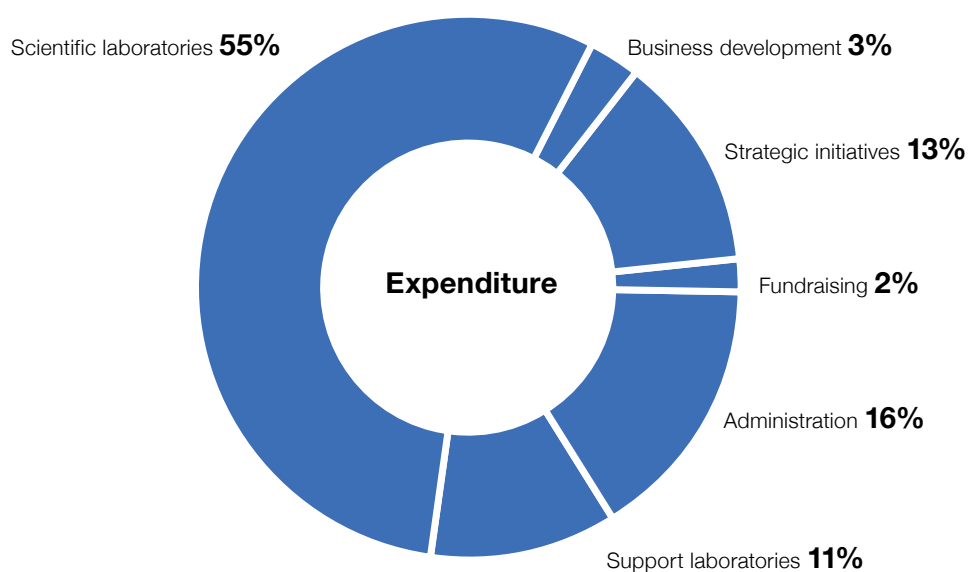
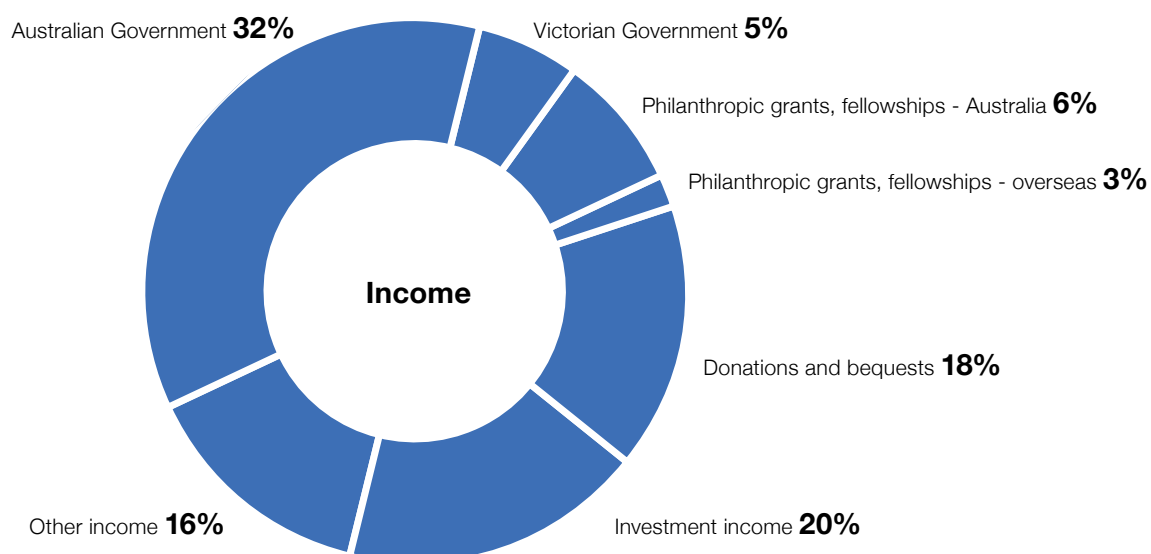
## Notes

This image shows a full page of blank, lined paper. It features approximately 28 horizontal grey lines spaced evenly across the page, typical of standard notebook paper. The lines are thin and light grey, set against a plain white background. There is no handwriting or other markings on the page.



## This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

**The period at a glance** (Excluding monetisation and unrealised foreign exchange losses)



**The Year In Brief**

	2022 \$'000	2021 \$'000
Income for operations	178,437	192,092
Expenditure in operations	185,086	176,276
Net surplus (deficit) from operations	(6,649)	15,816
Number of staff and visiting scientists	910	778
Number of postgraduate students	197	159
Total staff and students (EFT)s	1,107	937







**WEHI**  
brighter together


**Walter and Eliza Hall Institute  
of Medical Research**


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