



QIMR Berghofer
Medical Research Institute

2021-2022

ANNUAL REPORT

Acknowledgement of country

QIMR Berghofer Medical Research Institute acknowledges the Turrbal and Yuggera People as the traditional owners of the land where its buildings are located. The Institute also acknowledges the important role of Aboriginal and Torres Strait Islander people and their communities where research is conducted.

Communication objectives

The QIMR Berghofer Medical Research Institute 2021-2022 Annual Report (the Report) provides a record of the Institute's performance in the 2021-2022 financial year and its audited financial statements. All achievements are documents against the goals and corresponding key performance indicators of the QIMR Berghofer 2022-2025 Strategic Plan.

To provide your feedback, or request copies of this Report, contact the Corporate Affairs and Fundraising Department at QIMR Berghofer by telephoning +61 7 3362 0222 or by emailing enquiries@qimrberghofer.edu.au.

The Report is also available online at www.qimrberghofer.edu.au/about-us/annual-reports/. QIMR Berghofer is committed to providing accessible services to people from all culturally and linguistically diverse backgrounds. If you have difficulty understanding the Report, contact the Corporate Affairs and Fundraising Department at QIMR Berghofer by telephoning +61 7 3362 0222 and we will arrange an interpreter to effectively communicate the Report to you.



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2 September 2022

The Honourable Yvette D'Ath MP
Minister for Health and Ambulance Services
GPO Box 48
Brisbane QLD 4001

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2021-2022 and financial statements for the Council of the Queensland Institute of Medical Research (trading as QIMR Berghofer Medical Research Institute).

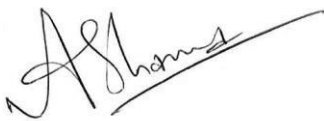
I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- the detailed requirements set out in the *Annual Report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be found on the final pages of this Annual Report or accessed at the Institute's website:

www.qimrberghofer.edu.au/annualreport

Yours sincerely



PROFESSOR ARUN SHARMA AM
Chair
QIMR Berghofer Council

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VISION, PURPOSE AND VALUES

Vision

Lead the way to significant innovation in health – nationally and globally.

Purpose

Better health through impactful medical research.

Values

In pursuit of its vision, the Institute is committed to:

- **Excellence** — We aspire to excellence with integrity. Our rigorous governance, world-class scientific research, mentoring and training and administration are responsive to the needs of our communities.
- **Integrity** — We are reliable and trustworthy. We observe the highest standards of ethics and integrity. Our research proposals, conduct and reporting are honest and accurate and open to the scrutiny of the scientific community. We respect the wellbeing and dignity of those contributing to and associated with our research.
- **Respect** – We are a diverse and welcoming community. We embrace difference. We respect the skill, opinion, culture and language, life experience and contribution of all our staff, stakeholders and health consumers. We work together to foster the wellbeing of every member of our communities with kindness, compassion and mutual respect.
- **Collaboration** — We reach out locally, nationally, globally and across our Institute to create and deliver effective, innovative research outcomes. Our research excellence builds trusted strategic partnerships and our strong teamwork promotes transparency and accountability.
- **Accountability** – We are open and transparent in our communication and inclusive in our decision making. We individually and collectively take responsibility for our actions and for achieving our objectives. We embrace learning for organisational and personal growth.

RESEARCH ACHIEVEMENTS

QIMR Berghofer has a global reputation for groundbreaking and transformative health discoveries, including in the fight against COVID-19. Our collaborative research programs and primary areas of focus span the foremost health challenges of our time - **Cancer, Infection and Inflammation, Mental Health and Neuroscience, and Population Health.**

Cancer Research

- Led the field of cellular therapy in Australia. Specifically, we are using T-cell engineering to make chimeric antigen receptor T cells (CAR-T) and these have been used to treat patients with leukaemia and lymphoma at the Royal Brisbane and Women's Hospital (RBWH). This is a revolutionary new treatment that is only available in a very limited number of hospitals Australia-wide.
- Manufactured virus-specific T cells against common viruses such as Epstein Barr Virus (EBV) and Cytomegalovirus (CMV). These can be used to treat certain types of cancer (including nasopharyngeal cancer) and also chronic infections after cancer treatment. QIMR Berghofer is the only centre in Australia with this expertise and this work has helped hundreds of patients with cancer. This work has been in collaboration with major commercial partners, bringing funding and creating many new jobs to Queensland.
- Discovered novel causes of cancer: QIMR Berghofer has a number of laboratories that have been able to sequence cancers from patients all around Australia. This work has led to new discoveries about the origins of cancers and has given clues for the use of new types of treatments that can be used to help patients with these cancers. Specifically, in the last year, our researchers have identified genes that are important in melanoma, pancreatic cancer and women's cancers.
- Understanding genetic predisposition to cancer: QIMR Berghofer researchers are leading international consortia and work to identify the causes of cancer in a hope that this can be leveraged to develop new prevention strategies and new drug strategies for cancer. Additionally, through these consortiums our researchers are leading international efforts to identify and catalogue the effects of genetic mutations on cancer causation. This annotation is essential to translate genetic findings through targeted treatments.
- Treated cancer: developed an Australian first trial for patients with blood cancer. Here, patients are offered DNA sequencing of their cancer and we use this information to match this information with the best treatment for their cancer. This has now been expanded to include five sites around Australia.
- Immunotherapy and cancer: Our researchers have identified immune therapy targets in a variety of cancers, including myeloma and skin cancers. This work helps to inform clinical trials and the use of immunotherapy for patients with advanced cancer.
- Our researchers in the Population Health Program are doing important work in the prevention of common cancers such as skin cancer and gastrointestinal cancers.

Infection and Inflammation

- Invented a breakthrough vaccine to raise protective immunity against the common and potentially dangerous Cytomegalovirus or CMV. The CMV virus can cause severe disabilities and sometimes death in unborn babies and transplant recipients. Extensive preclinical testing of the bivalent vaccine has produced strong neutralising antibody against the virus and CMV-specific polyfunctional T cell responses. The QIMR Berghofer team has also successfully developed a process to produce the vaccine's polyepitope protein and has signed an option to license agreement with US-based biotech company Dynavax Technologies to further develop this vaccine.

- Discovered evidence that T cell immunotherapy could help fight multiple strains of COVID-19. The research led to the development of T cell-based immunotherapy capable of treating multiple COVID-19 variants in the sickest patients, providing new hope to immunocompromised people who are particularly vulnerable to the virus. QIMR Berghofer researchers will study the therapy's safety in initial clinical trials, ahead of broader clinical trials assessing its efficacy.
- Commenced a phase IIb clinical trial in Canada and Brazil, using an approved drug – Apabetalone, that could prevent COVID-19 related heart problems. In severe cases, the immune system overreacts to the infection and can cause damage to the heart. QIMR Berghofer researchers studied thousands of lab-grown, miniature human heart organoids to understand how COVID-19 causes cardiac damage.
- Developed a prototype new saliva test that could rapidly detect COVID-19 infection and may indicate if a person is likely to become seriously unwell. The test, which is faster than a PCR test, could potentially show if a person is more likely to require hospital care, making it a valuable screening, triaging and monitoring tool.
- Completed a first-in-human study on the novel anti-malaria drug ZY-19489 in partnership with Cadila Healthcare Ltd and Medicines for Malaria Venture to help address the critical problem of emerging drug-resistant malaria parasites by advancing the pipeline for development of drugs to treat malaria.
- Commenced research on the emerging Japanese Encephalitis virus (JEV) in Australia, including work to identify mosquito vectors and vertebrate reservoirs, and the immuno-efficacy of new, intradermal, reduced dose JEV vaccination methods. The southern spread of JEV shows that extreme weather events due to climate change and global warming might lead to the establishment or spread of mosquito-borne diseases of public health significance in Australia. JEV has a high fatality rate of 30 per cent in the very small number of people who develop symptoms. The Mosquito Control Laboratory at QIMR Berghofer screens mosquito collections from around Queensland for viruses of public health importance.
- Started first-in-human, host-directed clinical trial to boost immune responses in volunteers infected with malaria parasites to overcome malaria vaccine hypo-responsiveness and improve anti-parasitic drug-induced immunity in malaria exposed populations.
- Tested a world-first hookworm vaccine and identified markers of protective immunity that can be used to evaluate future vaccines. Hookworms cause a parasitic disease, primarily in developing countries, seriously reducing quality of life. The vaccine could be the first step to eradicating human hookworm infection. Around 400 million people worldwide are infected with hookworm.
- Introduced a heat-resistant Wolbachia strain into Australian mosquito vectors and confirmed that it inhibits dengue and Zika virus transmission. We commenced research on the use of benign insect-specific viruses to induce resistance to pathogenic human arboviruses in mosquitoes. These target mosquito species and arboviral pathogens that are not suitable for mitigation using Wolbachia, this includes Australian native mosquitoes and Ross River and Japanese Encephalitis viruses.
- Identified promising signs that an immune system protein could protect the gut and prevent some of the potentially deadly side effects of bone marrow transplantation performed for blood cancer. Bone marrow transplants can cure blood cancers like leukaemia and lymphoma, however in up to 70 per cent of recipients, the transplant causes a potentially deadly complication of graft-versus-host disease (GVHD), where the donor's immune cells attack the host's tissues, including the skin, gut and lungs. The study found the immune protein Interferon-Lambda strengthened the gut lining and helped prevent the gut damage often caused by bone marrow transplants and GVHD. The protein could also prevent gut damage caused by other conditions like inflammatory bowel disease.
- Discovered a potential new iron supplement for pregnant women that may reduce some of the debilitating side effects with existing treatments. Side effects include abdominal pain, nausea, constipation and diarrhea. Iron deficiency is a common condition in pregnancy with up to two

thirds of women needing supplements. The new iron supplement was found to have less side effects, cause less stress on the body, and less damage to the microbiome of the gut.

Mental Health and Neuroscience

- Continued our world-leading program of creating new cohort studies recruiting participants through public engagement and prescription record linked mailouts. These approaches remove the barriers to participation and allow participants to provide data and samples in their own homes at their own convenience.
- Used these approaches with over 20,000 people with lived experience of depression, almost 6,000 people with lived experience of bipolar disorder have participated in the Australian Genetics of Depression and the Australian Genetics of Bipolar Disorder studies. We are currently applying these ground-breaking strategies in new studies where we have recruited over 3,000 people living with Parkinson's Disease, and over 7,000 with lived experience of Eating-disorders. These studies aim to identify genetic and environmental risk factors with the aim of improving diagnosis and treatments and reducing side effects to enable the development of new, more effective and personalised treatment strategies.
- Used stem cells from human Alzheimer's patients to develop a model of the blood brain barrier (which blocks most drugs from entering the brain). QIMR Berghofer researchers, working with collaborators from the Queensland Brain Institute, have used ultrasound treatment to deliver higher doses of a new Alzheimer's therapeutic (Aduhelm) across the barrier. These findings could enable significant new treatment options for people with dementia.
- Completed a clinical trial examining the impact of non-invasive brain stimulation on obsessive compulsive disorder (OCD) symptoms using Transcranial Magnetic Stimulation.
- Developed preliminary COVID-19 modelling for border reopening scenarios in Queensland, for the State Government. The modelling, led by five researchers at QIMR Berghofer, looked at the vaccine rollout and border reopenings. Researchers also provided modelling on the impact of COVID-19 and hospital admissions.
- Analysed data collected from the Australian Genetics of Depression Study and identified 23 new variants influencing risk for depression.
- Identified 144 genes that influence both depression and anxiety, providing new insights into why these disorders so often co-occur.
- Discovered evidence of a rise in climate change anxiety amongst children and teenagers with the attitudes of parents, communities, and governments among the main influences. The study highlights the need for better understanding about how climate change is communicated to the younger generation.
- Identified a list of existing drugs that could potentially be repurposed to alleviate symptoms of Alzheimer's disease. QIMR Berghofer researchers along with collaborators from Vanderbilt University Medical Centre found several drugs that target the activity of genes linked to the common neurodegenerative condition. Although these medications' impact on Alzheimer's disease has yet to be tested these findings offer a priority list of medications that could potentially be repurposed.
- Identified 29 genetic variants influencing acne, which can cause irreversible scarring and severe forms have been associated with mental health disorders and diminished performance at work and school. The co-led study by QIMR Berghofer and King's College London opens up exciting pathways for the development of new and much-needed treatments for people with severe acne.

Population Health

- Identified genetic links between melanoma and autoimmune conditions that could lead to treatment for people with either condition. With further research, scientists hope to find whether a drug used to treat melanoma could also help people with autoimmune disease.

- Discovered that routine vitamin D supplementation of older Australians is unlikely to decrease the mortality rate, but may have benefits for infection. Researchers completed the landmark D-Health Trial, the second-largest trial of high-dose vitamin D supplementation in the world, which aimed to determine whether routine population-wide supplementation with vitamin D would alter health outcomes. This work suggests that policy and practice should aim to avoid vitamin D deficiency, particularly when the risk of infectious disease is high.
- Found that people who are genetically predisposed to develop acid reflux may be more vulnerable to developing severe COVID-19. The research found that genes associated with gastro-oesophageal reflux disease (GORD) were also associated with an increased risk of COVID-19 hospitalisation. GORD is a chronic form of acid reflux and one of Australia's most common gastrointestinal conditions.
- Published new clinical recommendations to help general practitioners diagnose pancreatic cancer earlier. Pancreatic cancer is a leading cause of cancer death in Australia, with most people being diagnosed after it has spread. The new recommendations aim to support doctors to identify pancreatic cancer earlier, by providing advice about which patients should undergo specific investigations of their pancreas, based on combinations of their symptoms and risk factors.
- Launched a trial of a new support service for carers experiencing the devastating impact of pancreatic cancer. The trial involves a nurse providing structured counselling and education to carers, with the aim of determining if this reduces carers' anxiety and increases their confidence in supporting the pancreatic cancer patient. In addition to improving the patient and carer journey, this may lead to reduced health system use, making this an economically viable service in the longer term.
- Developed a new genetic tool to detect people most at risk of the genetic multi-cancer disease, Li-Fraumeni syndrome. People with Li-Fraumeni syndrome develop multiple cancers at a young age, including breast cancers, brain tumours, sarcomas, adrenal gland cancers, and leukaemia. They are also more prone to very rare cancers. This new tool will make it easier for doctors and scientists to identify which genetic changes are likely to cause the disease, ensuring the best possible advice is provided to patients and greater certainty for families.
- Conducted the first multi-jurisdictional study of First Nations Australians with hepatocellular carcinoma in collaboration with clinicians and Aboriginal and Torres Strait Islander researchers. First Nations Australians are much more likely to die from liver cancer than other Australian people. This research aimed to determine factors that influenced survival in this vulnerable population, with the goal of helping governments and health care organisations design interventions to close the liver cancer mortality gap.
- Analysed data from the QSkin Study, suggesting up to 29 per cent of melanomas may be "over diagnosed"; that is, skin examination leads to diagnosis and treatment, but the melanoma would never have caused a problem if left untreated. The findings highlight the need for further research to determine why some melanomas appear to stay dormant for long periods of time. This finding may lead to more accurate diagnostic tools which could spare patients from unnecessary treatment and save health system costs.



GOVERNOR OF QUEENSLAND

Foreword

My past career in medicine and medical administration, including 14 years as a member of the Council of the QIMR Berghofer Medical Research Institute, has given me a unique position from which to view the achievements of this great Queensland institution, and I am delighted now, as Patron and Governor of Queensland, to continue my support and advocacy for the Institute and its work.

Since its establishment 77 years ago, its ground-breaking research has produced outcomes that have helped position Queensland at the forefront of medical research, worldwide.

With the arrival of COVID-19 and its variants, QIMR Berghofer quickly committed to practical and translatable research to combat the virus, and to modelling that would help inform government action. This work has continued, unabated, since then and in the past year has seen the development of a simple saliva test to quickly detect how likely a person is to become seriously unwell with the virus.

At the same time, the Institute has continued its vital research into mosquito-borne diseases such as the Japanese encephalitis virus, including a trial which aims to increase the availability of vaccines to combat the virus.

World-leading research into melanoma in the past year has also continued, bringing hope to all Australians that more accurate diagnostic tools will be developed for this long-standing health problem in our sun-drenched nation.

As Governor, I am privileged to speak for all Queenslanders and, on their behalf, I congratulate the Institute's Board, scientists, administrators, support staff and students on another successful year.

This could not have been achieved without generous financial support from both government and private donors, particularly Mr Clive Berghofer AM who was recently inducted into the Queensland Business Leaders Hall of Fame as one of our nation's most visionary philanthropists.

I thank everyone associated with QIMR Berghofer for their ongoing commitment to innovative and responsive health research. It is vital work which will produce better health outcomes, not only for Queensland, but nationally and globally.

A handwritten signature in black ink, reading 'Jeannette Young'.

Her Excellency the Honourable Dr Jeannette Young AC PSM
Governor of Queensland

CHAIR'S REVIEW

We live in extraordinary times and the past year has once again highlighted the importance of medical research in supporting the health and wellbeing of our communities as we continue to navigate, and live with, the COVID-19 pandemic. At QIMR Berghofer, our teams have worked tirelessly to expand our knowledge of the virus, advance treatment options, and provide government with critical data to help inform public policy decisions.

Our researchers have made some remarkable discoveries. Professor Sudha Rao has developed two promising new drugs aimed at preventing serious illness and eliminating long COVID-19, and Professor James Hudson's team has discovered how COVID-19 damages the heart and identified a class of drugs that can protect or reverse this cardiac injury. This exciting research has led to a new joint project with doctors at the Royal Brisbane and Women's Hospital intensive care unit to develop and test similar drugs to treat sepsis patients.

We also provided the Queensland Government with preliminary COVID-19 modelling to assist the state's response and understanding of the potential impacts of the virus. Dr James Roberts and his team are some of the best in the world in computer modelling and projects such as this demonstrate the incredible value of our work to public health and safety.

While this critical work was underway, the Institute launched an ambitious new four-year Strategic Plan which provides a framework for QIMR Berghofer to deliver on its purpose of *Better health and wellbeing through impactful medical research*. The Plan outlines three key objectives including to support ground-breaking research discoveries, to promote a world-class, collaborative and sustainable research environment, and to achieve impactful medical research.

It is fundamental that our world class research achieves and maintains the highest standards of integrity to ensure we are not only meeting, but exceeding community expectations. A priority for the Institute during the year has been the strengthening of our research governance processes following findings of a serious breach of the code of research conduct by a former employee. QIMR Berghofer's response has been decisive, thorough and rigorous, to maintain the high level of trust expected of research institutions. Our comprehensive and independent response to this incident has been hailed as industry-leading, and we are setting exemplary new standards in research governance.

Our contribution to life-saving work continues unabated and I'm extremely proud that QIMR Berghofer has supplied therapies for 19 critically ill patients in the last year, through the TGA's Special Access Scheme, all manufactured at the Institute's remarkable Q-Gen facility. The work of Professor Rajiv Khanna in advancing QIMR Berghofer's cell therapy capabilities has helped establish Q-Gen as one of the largest cell manufacturing facilities of its kind in Australia. In the last five years, Q-Gen has delivered \$14 million in funding and added 24 new jobs to the advanced medical manufacturing sector.

The appointment of Her Excellency the Honourable Dr Jeannette Young AC PSM, Governor of Queensland as our new Patron is a great honour. QIMR Berghofer has been the beneficiary of Her Excellency's support and commitment to public health, medicine and medical research having served as a Council member at QIMR Berghofer from 2005 until 2019. We look forward to her continued support as Patron, as the Institute moves into an exciting new phase of growth.

I would like to thank my fellow Council members for their service, and in particular recognise the significant contribution of retiring member, Emeritus Professor Alan Pettigrew. An astute and dedicated Council member, Alan oversaw a number of projects at the Institute during his 11-year tenure. It has been a privilege to work with him.

My thanks also to Director and CEO Professor Fabienne Mackay and her leadership team, who continue to skilfully steer the Institute through a dynamic period of transformational change. It is through continuous improvement, living our values, and embracing new techniques and technologies that we realise the advancement of medical science for a healthier, better tomorrow.

A handwritten signature in black ink, appearing to read 'A. Sharma', with a long horizontal stroke extending to the right.

Distinguished Emeritus Professor Arun Sharma AM
Chair, QIMR Berghofer Council

DIRECTOR AND CEO'S REVIEW

I am constantly reminded of the commitment, dedication, and talent of our incredible team of researchers, professional staff and students at QIMR Berghofer, who together are pioneering globally significant research. The past year has exemplified this spirit and purpose to translate our discoveries into new treatments and diagnostics to improve the health of Queenslanders, and those beyond our borders.

Our past success, garnered over 77 years, provides a strong foundation for an exciting future. In my second year as the Institute's Director and CEO, I am proud to deliver our new four-year strategy—*Better health and wellbeing through impactful medical research.*

The QIMR Berghofer 2022-2025 Strategic Plan enables and advances our public health response for the next chapter. It defines how the Institute will be successful within a challenging and changing environment through innovative science. Created to support the experiences of staff, researchers and stakeholders to be the best we can be, the Strategic Plan will deliver outcomes that are genuinely purposeful across our primary research areas of Cancer, Infection and Inflammation, Population Health, Mental Health and Neuroscience, and Aboriginal and Torres Strait Islander Health.

Our Strategic Plan is supported by the Institute's new *Working better together* organisational structure. The implementation includes the recruitment of a Clinical Director, and four new Program Directors to the Director's Executive Committee (DEC).

With the support of Council, I am determined to ensure QIMR Berghofer maintains its world-class reputation for excellence. Our research governance processes must be second to none and this year, we initiated the development and implementation of a robust new Research Integrity Framework that is cementing QIMR Berghofer as a leader in this field. The Framework will support our researchers to continue their pursuit of ground-breaking medical discoveries while providing our stakeholders with additional confidence in our governance.

I am particularly passionate that our increasingly competitive research environment is consistent, fair and equitable, and continues to enable us to attract and retain, and importantly develop, great researchers here in Queensland. My recent appointment to the Research Committee of the National Health and Medical Research Council (NHMRC) provides a platform to advocate for our best and brightest local researchers.

Further to our amazing work on COVID-19, this year our researchers have continued to lead the way in health innovation. Among other remarkable discoveries, cancer immunologist Dr Kyohei Nakamura identified a more effective way to fight blood cancers such as leukaemia and myeloma; QIMR Berghofer's QSkin study, the largest ever conducted on skin cancer, found nearly a third of melanomas identified during skin checks may not be harmful potentially leading to more accurate diagnostic tools; and our researchers developed a breakthrough vaccine candidate against the widespread but little-known cytomegalovirus, or CMV, which can cause severe disabilities in unborn babies.

I am proud to report QIMR Berghofer scientists have been honoured during the year with significant awards and accolades. Professor Sarah Medland OAM was elected a Fellow of the Australian Academy of Science, Professor Penny Webb was elected Fellow of the Australian Academy of Health and Medical Sciences, Professor Georgia Chenevix-Trench was awarded the Suzanne Cory Medal and Lecture from the Australian Academy of Science, Professor Sudha Rao, Associate Professor Kate Gartlan, Associate Professor Michelle Hill and Associate Professor Jason Lee won Research Exchange and Development within Industry (REDI) Fellowships and Dr Siok Tey the Metcalf Prize for Stem Cell Research.

Finally, I would like to acknowledge the commitment and guidance of the QIMR Berghofer Council, in particular of the Chair, Professor Arun Sharma. I would also like to thank the Institute's Deputy Director, Professor Grant Ramm and Chief Operating Officer, Lee Bruce for their unwavering support and leadership. Along with the Institute's interim Program Directors and wider management team, I would like to express my gratitude for your help in guiding the Institute through a rewarding year. Medical research continues to improve the lives of people around the world, and I am committed to ensuring Queensland is a global leader in delivering better healthcare outcomes for all.

A handwritten signature in black ink, appearing to read 'Mackay', with a stylized flourish at the end.

Professor Fabienne Mackay
Director and CEO

ABOUT QIMR BERGHOFFER

QIMR Berghofer was established in 1945 as a statutory body under the *Queensland Institute of Medical Research Act 1945* (The Act). It had humble beginnings, starting operations in a disused World War II army hut in Brisbane's Victoria Park. Since then, it has established itself as a world leader in scientific research while retaining its proud role as Queensland's own medical research institute.

QIMR Berghofer (the Institute) focuses on the research areas of Cancer Research, Infection and Inflammation, Mental Health and Neuroscience, Population Health, and Aboriginal and Torres Strait Islander Health.

The Institute's vision is to lead the way to significant innovation in health – nationally and globally. It does this by developing new and better prevention strategies, diagnostic tools and treatments. In conducting its research, the Institute supports different Queensland scientific and medical sectors, and promotes and develops links with industry.

Located next to the Royal Brisbane and Women's Hospital at Herston, QIMR Berghofer is home to approximately 1000 scientists, support staff and students. Also based at QIMR Berghofer is Q-Gen Cell Therapeutics, a facility approved by the Therapeutic Goods Administration that produces cellular therapies which are used to treat virus associated diseases and cancers. An early-phase clinical trial facility is also based on the premises.

Over its 77-year history, QIMR Berghofer has led global advances in understanding, preventing, diagnosing and treating some of the world's most deadly and debilitating diseases. The Institute is recognised for its groundbreaking research in immunotherapy and genomics. It is also internationally renowned for its research into skin cancer, malaria and other mosquito-borne diseases, and the genetic risk factors associated with various cancers and mental health disorders.

GOVERNANCE

Basis of authority

The Institute was established as a statutory body under the *Queensland Institute of Medical Research Act 1945*. Controlled entities have been established under the authority of the Queensland Treasurer and Minister for Health and Ambulance Services in accordance with the *Statutory Bodies Financial Arrangements Act 1982*.

Governing body

The Council of the Queensland Institute of Medical Research

In accordance with Part 2, Section 4A of the *Queensland Institute of Medical Research Act 1945*, QIMR Berghofer is controlled and governed by The Council of the Queensland Institute of Medical Research (the Council). Section 12A of the *Queensland Institute of Medical Research Act 1945* provides that the Council is a statutory body, under the *Statutory Bodies Financial Arrangements Act 1982*.

Under the *Queensland Institute of Medical Research Act 1945*, the functions of the Council are:

- to control and manage the Institute
- to raise and accept monies for the purposes of the Institute;
- to invest monies raised or accepted by the Council for the purposes of the Institute; and
- to invest monies derived from any property or other invested monies of the Council for the purposes of the Institute.

QIMR Berghofer Council steers the Institute to achieve its purpose of *Better health through impactful medical research*, with the vision of leading the way to significant innovation in health - nationally and globally. The Council members lead by example with regard to the Institute's values of excellence, integrity, respect, collaboration and accountability, as this is fundamental to the way the Council and Institute operate.

The Council must consist of at least seven, but not more than 11, members appointed by the Governor in Council. Under the *Queensland Institute of Medical Research Act 1945*, the Minister is to recommend people for appointment as members of the Council. The Minister may have regard to a person's skills, experience and expertise in any of the following areas:

- corporate governance
- public or academic administration
- health or clinical research
- health ethics
- financial management
- fundraising
- any other area the Minister considers to be relevant to the functions of the Council.

Council membership

The Council had eight members as at 30 June 2022.

Distinguished Emeritus Professor Arun Sharma AM - Chair

MSc (Pilani) PhD (NY) GAICD

Distinguished Emeritus Professor Arun Sharma was appointed as Chair of the QIMR Berghofer Council on 4 July 2019.

He was formerly the Deputy Vice-Chancellor and Vice President (Research and Innovation) at the Queensland University of Technology (QUT) (2004–2019) where he played an enabling role in founding the Translational Research Institute (TRI) and served on its board from 2009 to 2017.

Professor Sharma has helped build Australia's technology research capability. He was a co-founder of National ICT Australia Limited (NICTA) – now CSIRO's Data61. At QUT, he helped establish three Australian Research Council Centres of Excellence – Robotic Vision, Digital Child, and Creative Industries and Innovation. As Head of the School of Computer Science and Engineering at the University of New South Wales, he co-founded the Cooperative Research Centre for Smart Internet Technology and played a critical role in the establishment of its successor, the Smart Services Cooperative Research Centre.

Professor Sharma has served as a member of the World Economic Forum Global Future Council on Innovation Ecosystems (2018-2019), was appointed to the inaugural Advisory Council of the Australian Research Council (2008-2009) and was a member of the Advance Queensland Expert Panel.

He has fostered strong business links between Australia and India. As National Chair of the Australia India Business Council (AIBC), he led a governance reform of the organisation during 2010-2011 and served as the President of the AIBC Queensland Chapter from 2011 to 2015. He is an advisor to the Chairman of Adani Group and Head of the Group's Sustainability and Climate Change function.

Professor Sharma is a graduate of the Australian Institute of Company Directors. He completed an undergraduate degree in Computer Science at the Birla Institute of Technology and Science, Pilani and obtained a PhD in Computer Science from the State University of New York at Buffalo. He completed post-doctoral training at the Department of Brain and Cognitive Sciences at the Massachusetts Institute of Technology.

Professor Sharma is also the Chair of the Institute's Executive Employment and Remuneration Committee and is a member of its Audit, Risk and Finance Committee and Commercialisation Committee.

Michael Sargent

Deputy Chair

Michael Sargent has been a member of the QIMR Berghofer Council since November 2014.

He has more than 45 years of experience working with some of the world's leading financial groups. His experience includes stockbroking, merchant banking, financial planning and money market operations.

He was a Fellow of the Certified Practicing Accountants and a Fellow of the Securities Institute of Australia, now known as FINSIA. He served as the Queensland President and Australian Vice-President of the Securities Institute.

Mr Sargent is an active supporter of the community. He was a charter member of the Rotary Club of Brisbane Mid-City. He has served as the club's President twice and has also been a Rotary District Treasurer. He is also a past President of the Royal Automobile Club of Queensland and a former Chairman of RACQ Insurance Ltd and its subsidiary companies.

Mr Sargent is the Chair of the Institute's Commercialisation Committee, a member of the Audit, Risk and Finance Committee, Executive Employment and Remuneration Committee and the Investment Committee. He is also Chair of the Institute's subsidiary company genomiQa Pty Ltd.

Dr Sonya Bennett

MBBS (Qld) FRACGP MPHTM FAFPHM GAICD

Dr Sonya Bennett is a practicing public health physician and has Fellowships with the Royal Australian College of General Practitioners and the Australasian Faculty of Public Health Medicine. During her career, she has worked in Queensland Health, the Australian Defence Force, and in the academic research sector acquiring a broad range of management, leadership and governance experience to complement broad technical expertise in the fields of communicable diseases and general medicine.

She is currently the Deputy Chief Medical Officer in the Commonwealth Department of Health. Dr Bennett was previously the Executive Director of the Communicable Diseases Branch, and Deputy Chief Health Officer at Queensland Health, where she was responsible for the state-wide strategic direction and policy for communicable diseases, leading state-wide incidents of public health significance. Dr Bennett was Chair of the Communicable Disease Network of Australia 2019-2021 and is an Adjunct Associate Professor of Griffith University.

Dr Bennett has also served as Research Manager and Chief of Operations at The Centre for Military and Veterans Health from 2004 until 2009 and as a member of the Australian Technical Advisory Group on Immunisation from 2015 until 2019.

In December 2019, she was promoted to Commodore in the Royal Australian Navy and she is the current Director-General, Navy Health Reserves.

Dr Bennett is a member of QIMR Berghofer's Appointments and Promotions Committee.

Dr Donna Callaghan

MBBS (Qld) Dip Anaes (UK) Dip Obs (RANZCOG) FRCA (UK) LLB (QUT) Hons Grad Dip Law (QUT)

Dr Donna Callaghan was called to the Bar in 2009. Her interest and expertise lies in personal injuries and health law – areas in which she has been engaged for more than 25 years. Dr Callaghan obtained her medical degree from The University of Queensland and practiced clinical medicine for more than a decade, obtaining Diplomas in both Obstetrics and Anaesthetics and her Fellowship of the Royal College of Anaesthetists in London.

Dr Callaghan was employed as State Claims Manager for Australia's largest medical indemnity company while studying law at the Queensland University of Technology. Having obtained her LLB

Hons 2, she worked as a solicitor and then senior associate at a large national firm in the area of litigation and dispute resolution.

Dr Callaghan has broadened her experience and expertise in health law with memberships on Medical Research Ethics Committees for The University of Queensland and Blue Care. She has written articles for and has been on the editorial panel of the Australian Health Law Bulletin for more than 10 years. Dr Callaghan was the lawyer member of the Queensland Pharmacists Board from 2007 to 2010. She has been involved as a volunteer and board member of health related not-for-profit organisations for many years. Dr Callaghan is a long-term member and former committee member of the Medico-Legal Society of Queensland.

Apart from her experience with negligence claims, disciplinary matters, coronial inquests and prosecutions of health practitioners, Dr Callaghan has ongoing experience with WorkCover claims, other personal injury claims and appeals by and against the WorkCover Regulator in the Queensland Industrials Relations Commission and Industrial Court.

Dr Callaghan is a member of the Institute's Executive Employment and Remuneration Committee and Philanthropy Committee.

Celeste Neander

BComm Dip FP GAICD

Celeste Neander is a senior finance professional with 40 years' experience in the financial and investment markets.

Ms Neander has held senior management roles in several large Australian financial institutions and stockbroking firms. She brings to the QIMR Berghofer Council extensive experience in the areas of finance, investments, corporate governance and financial and regulatory compliance.

Ms Neander also has a strong sense of community. She was a charter member of the Zonta Club of Brisbane Metro Inc. for many years, serving as club President and Chair of the membership committee. She is an active volunteer patrol member with Surf Life Saving NSW, and, being the holder of a remote pilot's licence, operates a drone as part of the shark surveillance and beach safety program, as well as for search and rescue operations.

Ms Neander holds a Bachelor of Commerce from Griffith University, a Diploma of Financial Planning from Deakin University and is a graduate of the Australian Institute of Company Directors. Ms Neander is the Chair of QIMR Berghofer's Investment Committee.

Mitchell Petrie

BCom (Qld) Member, Institute of Chartered Accountants in Australia

Mitchell Petrie is a former partner of KPMG Australia and an experienced director. He was a partner with KPMG Australia for 16 years and retired from the partnership in December 2015.

He has significant experience in corporate governance and enterprise risk management, board advisory, internal controls, statutory financial reporting and governance, risk and controls for major capital projects.

Mr Petrie is currently a member of the audit committees of Redland City Council, Sunshine Coast Council, Bundaberg Regional Council and LGIA Super, and an Independent Director of Hughenden Irrigation Project.

He is the Chair of the Institute's Audit, Risk and Finance Committee and a member of the Commercialisation Committee.

Emeritus Professor Alan Pettigrew

BSc (Hons) (Sydney) PhD (Sydney) FAICD

Emeritus Professor Alan Pettigrew was a member of the QIMR Berghofer Council from September 2011 until his resignation on 8 December 2021.

He has held senior academic and executive appointments at the Universities of Sydney (Deputy Chair, Academic Board), Queensland (Pro Vice-Chancellor and Executive Dean), and New South Wales (Deputy Vice-Chancellor Academic). He was Vice-Chancellor and CEO of the University of New England from 2006 to 2009. From 2001 to 2005 Professor Pettigrew was the inaugural CEO of the National Health and Medical Research Council (NHMRC) of Australia. He has been an adviser to the Chief Scientist of Australia (2010-2014), a Professorial Fellow of the L.H. Martin Institute at the University of Melbourne (2010-2018), a member of the Board of the Australian Universities Quality Agency (AUQA) Ltd (2006 - 2010) and a member of the Cooperative Research Centres Committee (2011-2015). Professor Pettigrew has been a consultant on leadership, management and research strategy for 11 Australian universities and several international projects. He was Chair of the Board of the Illawarra Health and Medical Research Institute from 2014 to 2019. He is currently a Fellow of Senate and Pro-Chancellor at the University of Sydney and a Vice-Chancellor's Representative for Research School Reviews at the Australian National University.

Professor Pettigrew was the Chair of the Institute's Appointment and Promotions Committee and a member of the Executive Employment and Remuneration Committee and a member of the Philanthropy Committee prior to his resignation.

Susan Rallings

MBA (Griffith) FAICD

Susan Rallings is a former Senior Vice President of global financial services firm, Morgan Stanley and is an accomplished director with experience in governance, ethics, financial management, risk, philanthropy and strategy.

Ms Rallings was the Chair of the Griffith University Business School Strategic Advisory Board from 2016-2020. She was also on the Strategic Advisory Board of the Yunus Social Business Centre at Griffith University. Ms Rallings is the Executive in Residence with the Dean Engagement at Griffith Business School.

Based in London, Ms Rallings was previously the Regional Director for Tourism Queensland for Europe and the UK. Her management career has included senior roles as well as establishing a successful consulting bureau.

She has a passion for philanthropy and her work in this area has been recognised through several awards including Philanthropist of the Year 2015 for Queensland Community Foundation, and 2013 winner of Australia's CEO Challenge.

Ms Rallings is a founder and director of Making Good Alliance Pty Ltd, a co-founder of the Centre for Regenerative Arts and a director of Intrinsic Business Solutions Pty Ltd.

An alumnus of Griffith University and graduate of their inaugural MBA, Ms Rallings is also a Fellow of the Australian Institute of Company Directors.

She is the Chair of the Institute's Philanthropy Committee and a member of the Investment Committee.

Emeritus Professor Janet Verbyla

BSc (Hons) (Melbourne) GAICD IECL

Emeritus Professor Janet Verbyla is an Honorary Professor at the University of Southern Queensland where she also served as the Senior Deputy Vice-Chancellor for the academic division for six years, until 2018.

Professor Verbyla has led successful bids for external (non-research) funding totalling more than \$60 million. She has extensive experience chairing appointment, promotion, study leave and (internal) major equipment panels and being responsible for the associated policies and procedures. Professor Verbyla has a strong, sustained track record in internal coaching and development of academic and professional staff. Most recently, she became a certified executive and performance coach as well as a higher education consultant.

Starting her career as a software and information engineering academic, Professor Verbyla has progressed through a range of tertiary, executive and management roles that include Interim Vice-Chancellor at USQ and President of the Australian Deans of ICT.

Professor Verbyla is a member of the Institute's Audit, Risk and Finance Committee and the Appointment and Promotions Committee. She is also Chair of the Institute's subsidiary company Endpoint IQ Pty Ltd.

Council meetings

Council members and the Council meetings attended during the 2021–2022 reporting period are detailed in the table below.

To facilitate a COVID-19 safe environment at Council and Sub-Committee meetings, members and invited attendees had the option of taking part in the meetings via Zoom.

The Council also met on a number of occasions to discuss specific matters.

The Council of the Queensland Institute of Medical Research					
Act or instrument	Part 3, <i>Queensland Institute of Medical Research Act 1945</i>				
Functions	a. to control and manage the Institute; b. to raise and accept moneys for the purposes of the Institute; c. to invest moneys raised or accepted by the Council for the purposes of the Institute; and d. to invest moneys derived from any property or other invested moneys of the Council for the purposes of the Institute.				
Achievements	<ul style="list-style-type: none">Support ground-breaking research discoveriesPromote a world-class, collaborative and sustainable research environmentAchieve impactful medical research				
Financial reporting	<i>Not exempted from audit by the Auditor-General</i> <i>Transactions of the entity are accounted for in the financial statements</i>				
Remuneration					
Position	Name	Meetings/sessions attendance	Approved annual, sessional or daily fee	Approved sub-committee fees if applicable	Actual fees received
Chair	Distinguished Emeritus Professor Arun Sharma	7	\$5000pa	Chair - \$1000pa Member - \$500pa	\$6976
Deputy Chair	Michael Sargent	7	\$3000pa	Chair - \$1000 Member \$500pa	\$4484
Member	Emeritus Professor Alan Pettigrew	3 (resigned 12/2021)	\$3000pa	Chair - \$1000pa Member - \$500pa	\$2070
Member	Dr Sonya Bennett	6	N/A	N/A	N/A
Member	Dr Donna Callaghan	7	\$3000pa	Member - \$500	\$3488
Member	Celeste Neander	7	\$3000pa	Chair - \$1000pa	\$3488
Member	Mitchell Petrie	6	N/A	N/A	N/A
Member	Susan Rallings	7	\$3000pa	Chair - \$1000pa Member - \$500pa	\$4983
Member	Emeritus Professor Janet Verbyla	7	\$3000pa	Chair - \$1000pa Member - \$500pa	\$4983
Acting Council Secretary	Simone Finch	2	N/A	N/A	N/A
Council Secretary	Lee Bruce	5	N/A	N/A	N/A
No. scheduled meetings/sessions	Seven				
Total out of pocket expenses	\$9131.				

Council Sub-Committees

Audit, Risk and Finance Committee

In March 2022, the Council approved a name change for this Committee from the Finance and Audit Committee to the Audit, Risk and Finance Committee. This change is an acknowledgment of the Committee's expanded role in risk management within the Institute. The Terms of Reference for the Committee were also updated to reflect this and to align with best practice.

The key role of the Audit, Risk and Finance Committee is to assist the Council to fulfil its oversight responsibilities in financial management, internal control systems, risk management, compliance, insurance and the internal and external audit functions. The Committee further provides independent assurance to the Council on external accountability responsibilities as prescribed by the relevant legislation, and assists in the appointment of the internal auditors.

The Committee met five times during the reporting period to review business and financial risk, financial operating performance and audit performance. The Committee also reviewed all issues and recommendations arising from internal audit and the Queensland Audit Office, as well as agreed management actions implemented to address any issues found.

The Audit, Risk and Finance Committee has due regard to Queensland Treasury's Audit Committee Guidelines. During the reporting period its members were:

- Mitchell Petrie (Chair)
- Michael Sargent
- Distinguished Emeritus Professor Arun Sharma
- Emeritus Professor Janet Verbyla

Appointment and Promotions Committee

During the reporting period, the Appointments and Promotions Committee met once. Its key role is to assist Council in maintaining academic standards at QIMR Berghofer by reviewing proposals for the appointment and promotion of Faculty (senior research staff). The members of the Committee were:

- Emeritus Professor Alan Pettigrew (Chair) (until 8 December 2021)
- Dr Sonya Bennett
- Emeritus Professor Janet Verbyla

External Members:

- Professor Joanne Aitken, Cancer Council Queensland
- Professor Susan Chairman, Centre for Drug Candidate Optimisation, Monash Institute of Pharmaceutical Sciences
- Professor Alan Cowman, WEHI
- Professor Andrew Grulich, The Kirby Institute
- Professor Michelle Haber, Children's Cancer Institute
- Professor Glenda Halliday, The University of Sydney

Investment Committee

The Investment Committee is responsible for overseeing the investment of Institute funds. Its role is to manage the Institute's investments to ensure the overall investment strategy and objectives are successfully achieved. The Investment Committee also monitors the performance of the products

invested in and the fund managers that have been engaged, so that appropriate changes can be made when required.

The Committee met four times during the reporting period. The members of the Committee were:

- Celeste Neander (Chair)
- Michael Sargent
- Susan Rallings

External Members:

- John Allpass
- David Lane

Executive Employment and Remuneration Committee

The Executive Employment and Remuneration Committee is responsible for reviewing the terms and conditions relating to the appointment and remuneration of the Director and CEO and the Deputy Director and Chief Scientist. It also has oversight of the payment of bonuses to successful discoverers or inventors working under the auspices of the Council.

The Executive Employment and Remuneration Committee met once during the reporting period. The members of the Committee were:

- Distinguished Emeritus Professor Arun Sharma (Chair)
- Dr Donna Callaghan
- Emeritus Professor Alan Pettigrew (until 8 December 2021)
- Michael Sargent

Commercialisation Committee

The Commercialisation Committee advises Council and management on innovation and potential commercialisation opportunities, including the formation of joint ventures and other subsidiaries. The Commercialisation Committee met five times during the reporting period. The members of the Committee were:

- Michael Sargent (Chair)
- Distinguished Emeritus Professor Arun Sharma
- Mitchell Petrie
- Susan Rallings (until 18 March 2022)

Philanthropy Committee

The Philanthropy Committee's role is to provide strategic advice and support, and monitor the management of philanthropic activities on behalf of the Council. This includes the strategic advancement of the philanthropy program. The Committee additionally provides leadership oversight, monitors activities, and supports compliance with all legislative and regulatory obligations.

A review of the Philanthropy Committee commenced during the reporting period, with a roadmap to reset the Committee, and included:

- A comprehensive review of the Terms of Reference.
- The development of a Skills Matrix to support recruitment of new Committee members.
- A review of the various Philanthropy programs, policies and procedures.

The Committee convened once for a formal meeting during the reporting period, and held several workshops to progress the review of the Philanthropy Committee, in lieu of official Committee business.

The members of the Committee were:

- Susan Rallings (Chair)
- Donna Callaghan
- Professor Arun Sharma
- Emeritus Professor Alan Pettigrew (until 8 December 2021)

Human Research Ethics Committee

The Human Research Ethics Committee (HREC), on behalf of Council, ensures the maintenance of ethical standards in human research and compliance with guidelines.

During the 2021 calendar year the HREC reviewed 35 new projects. In addition, the HREC reviewed 19 modifications, while 207 modifications were reviewed by the HREC Executive and ratified by the HREC. There were 314 annual and final reports considered by the HREC.

The HREC can have a minimum of eight members in six different categories. At the end of the reporting period the Committee comprised eight members. Four members also resigned during the reporting period, partly due to the changes to the HREC's terms of reference. The members of the Committee were:

- Associate Professor Katharine Trenholme (Chair)
- John Stead
- Lee Casey
- Dr Donald Perry-Keene
- Rev Fang Ling Quested
- Dr Mark Sayers
- Associate Professor Shih-Ning Then
- Dr Allison Sutherland
- Rev Dr Mervyn Lander (until 28 October 2021)
- Catherine Olsen (until 3 June 2022)
- Dr Ian Wilkey (until 3 June 2022)
- Associate Professor Roger Allison (until 3 June 2022)
- Professor Barbara Leggett (until 3 June 2022)

Animal Ethics Committee

The Animal Ethics Committee (AEC), on behalf of Council, ensures the maintenance of ethical standards in animal research and compliance with regulatory guidelines in the use of animals for scientific purposes.

During the 2021 calendar year, the AEC reviewed 45 new projects, 218 modifications, 136 annual reports and final reports. The AEC reviewed 101 modifications that were ratified.

The AEC must have a minimum of four members in four different categories. At the end of the reporting period, the Committee comprised 11 voting members and two advisors. Four members

resigned during the reporting period, partly due to changes to the AEC's terms of reference. The members of the Committee were:

- Professor Corey Smith (Chair)
- Dr Douglas English
- Dr Devon Bornhutter
- Associate Professor Kate Gartlan
- Professor James Hudson
- Professor Simon Phipps
- Mrs Wendy Maniatis
- Ms Allison Roberts
- Ms Melanie Teunis
- Ms Merry Cloutier
- Ms Suzanne Cassidy
- Mr David McNeilly (advisor)
- Dr Yvette Ellen (Animal welfare Officer, advisor)
- Mr Bob Beattie (Chair, until 19 May 2022)
- Mr Wayne Porritt (until 22 June 2022)
- Mrs Charlane Hodge (until 24 March 2022)
- A/Prof Anthony White (until 8 December 2021)
- Dr Tim Biffin (until 10 December 2021)

ORGANISATION

Institute Leadership

Professor Fabienne Mackay - Director and CEO **MEng (Biological Engineering) (Polytech CUST) PhD (Strasbourg)**

The Director and CEO develops a strategic direction for the Institute in conjunction with the Council, and provides leadership in developing and delivering the goals and objectives of the Institute. The Director and CEO maintains and enhances the Institute's national and international research profile, and the participation of Institute researchers in research of national and international significance. The role ensures the Institute's research programs are appropriate to meet the current and future needs of stakeholders.

Professor Fabienne Mackay is the eighth Director and CEO of QIMR Berghofer Medical Research Institute. She was appointed in 2020 following a successful career in both the academic and biotechnology sectors.

Professor Mackay was the inaugural Head of the School of Biomedical Sciences and Head of the Department of Pathology in the Faculty of Medicine, Dentistry and Health Sciences at the University of Melbourne, where she was appointed in 2015. Prior to this, she was the Head of the Department of Immunology at Monash University and the Director of the Autoimmunity Research Unit at the Garvan Institute in Sydney.

Professor Mackay's laboratory discovered the role of an important protein, known as BAFF, in health and autoimmune diseases. These findings provided the foundation for the development of a new therapy, belimumab (BenlystaTM), for the treatment of systemic lupus erythematosus (SLE), the first new treatment for SLE in over 50 years.

Professor Mackay has published more than 170 articles, which have been cited 17,000 times. She has published the world's most highly cited work on BAFF. Her landmark study on the role of BAFF in SLE has been cited more than 1000 times. Professor Mackay's h-index is 65.

Most recently, Professor Mackay has been appointed to the Research Committee of the National Health and Medical Research Council (NHMRC) and the Board of the Association of Australian Medical Research Institute as its Queensland Representative.

She has received a number of prestigious national and international awards that include the Thomson Reuters Australia Citation and Innovation award and a trophy from the French Ministry of Foreign Affairs for outstanding contribution in education and research as an expatriate. She also received the Martin Lackmann award for translational research and the William A. Paul Distinguished Innovator award from the Lupus Research Alliance in the United States. She is an elected council member of the International Cytokine and Interferon Society, a member on the medical board of the Gairdner Foundation in Canada and an elected fellow of the Australian Academy of Health and Medical Sciences.

Professor Mackay studied Medicine and Biomedical Engineering before obtaining her PhD in Molecular Biology and Immunology from Louis Pasteur University in Strasbourg, France. She started her research career in the biotechnology industry at Biogen Inc. in Boston.

Deputy Director and Chief Scientist, Professor Grant Ramm
BSc (Hons) (Qld) PhD (Qld)

The Deputy Director and Chief Scientist provides leadership across the Institute for research integrity, research ethics, management of research misconduct and required reporting. The role acts as the Designated Officer to receive complaints about the conduct of research at the Institute.

Professor Grant Ramm is a Senior Principal Research Fellow, head of the Hepatic Fibrosis Laboratory and Deputy Director and Chief Scientist at QIMR Berghofer. He is Co-President of the Organising Committee for World Congress on Iron Metabolism, Editor-in-Chief for Journal of Renal and Hepatic Disorders, Member, Research Advisory Committee of the Royal Brisbane and Women's Hospital (RBWH) and an Adjunct Professor in the University of Queensland Faculty of Medicine.

Professor Ramm's research at QIMR Berghofer has included investigation into the molecular, cellular and histopathological events involved in initiating hepatic fibrosis (liver scarring) in chronic liver disease associated with both hereditary haemochromatosis in adults and Cystic Fibrosis in children. Mechanistic evaluation of these cellular events will aid in identifying patients at risk of serious liver disease complications (including cirrhosis and liver cancer) and lead to the development of new biomarkers as well as novel therapeutic interventions to treat chronic liver disease.

Chief Operating Officer, Lee Bruce
CIMA Adv Dip MA

The Chief Operating Officer provides leadership for the departments of Finance, Legal, Corporate Risk, Governance and Compliance, Corporate Affairs and Fundraising, Scientific Services, Information Technology, Building Infrastructure and Facilities, and Project Management. The Chief Operating Officer currently also fills the role of Council Secretary.

Lee Bruce joined the Institute in December 2021 and has 10 years' experience in senior executive and leadership roles, managing diverse professional portfolios. Mrs Bruce previously held the role of Chief Operating Officer for the European Capital Markets and Treasury Solutions Division at Deutsche Bank, London and her most recent roles include General Manager Corporate Services for Seqwater, and Director of Corporate Services for the Translational Research Institute (TRI). The Chief Operating Officer is responsible for the departments of Finance, Legal, Corporate Risk, Governance and Compliance, Corporate Affairs and Fundraising, Scientific Services, Information Technology, Building Infrastructure and Facilities, and Project Management. The Chief Operating Officer currently also fills the role of Council Secretary.

Chief People Officer, Jane Farmer
BA (USQ) M (Professional Studies)

The Chief People Officer heads the People and Culture Department with responsibility for People and Culture Strategy and Development, Human Resources Operations, Payroll, and Safety and Wellness. The role ensures compliance with relevant regulatory and industrial requirements and facilitates constructive, cooperative employee relations across the Institute.

Jane Farmer joined the Institute in September 2020. She was previously Executive Director, Human Resources and the University of Southern Queensland, and is a Fellow of the University. Ms Farmer has over 25 years' experience in the higher education sector, 20 years spent in Human Resources. She brings expertise in organisational development, equity and diversity, workplace relations and change

management. She heads the People and Culture Department with responsibility for People & Culture Strategy and Development, HR Operations, Payroll, Safety and Wellness.

Chief Commercial Officer, Dr Mathias Kroll

MSc (Biology) (Dusseldorf) MSc (Chem) (Dusseldorf) PhD (Dusseldorf) MBA (IMD)

The Chief Commercial Officer leads the commercialisation function at QIMR Berghofer with oversight for business development transactions, commercial development, intellectual property, and alliance and contract management.

Dr Mathias Kroll joined the Institute in December 2019 following roles as CEO of InProTher, Denmark; Board Director Abarce Pharma; and Vice President and Head of Global Development at Bavarian Nordic, Denmark. He is working to build a strong commercial function at QIMR Berghofer with Intellectual Property development, portfolio management, alliance management, contract management, commercial development and governance.

Program Directors

The Program Director provides leadership to researchers, post-doctoral fellows, higher degree research students, research officers and research assistants within the Program to facilitate achievement of QIMR Berghofer's strategic objectives through development and implementation of strategy, and effective management, mentorship and development of staff and students.

The Program Director also leads a successful research group in a relevant discipline area within the Program, generating research and salary funding through grants, fellowships, industry-sponsored research, research commercialisation or philanthropic activities.

Program Director, Cancer Research, Professor Steven Lane
(PhD (Qld) MBBS (Hons) (Qld))

Professor Steven Lane is the interim Program Director for the Cancer Research Program. Professor Lane is a clinical haematologist who devotes a third of his time to seeing patients with leukaemia and related blood disorders at the Royal Brisbane and Women's Hospital (RBWH). Professor Lane is active in clinical trials including as principal investigator on prospective clinical trials in acute leukaemia and has accredited GCP training. He is Group Leader of the Gordon and Jessie Gilmour Leukaemia Research Laboratory at QIMR Berghofer, Director of Clinical Research, Cancer Care Services at RBWH, Professor at UQ and Adjunct A/Prof at QUT.

Program Director, Infection and Inflammation, Professor Christian Engwerda
(BAGSci (LaTrobe) PhD (LaTrobe))

Professor Christian Engwerda is the interim Program Director for the Infection and Inflammation Program. He is Group Leader of the Immunology and Infection Laboratory at QIMR Berghofer, Honorary Professor at UQ and Adjunct Professor at QUT and at Griffith University. Professor Engwerda studies the behaviour of T cells during parasitic infections. His group investigates how T cell responses are regulated during infection and uses this knowledge to develop new approaches to treat disease.

Program Director, Mental Health and Neuroscience, Professor Sarah Medland OAM
(BA (Psych/English) (Qld) BA (Hons) (Psych) (Qld) PhD (Qld))

Professor Sarah Medland is the interim Program Director for the Mental Health and Neuroscience Program. She is Adjunct Professor at QUT, Honorary Professor at UQ, Associate Director of the International workshop on statistical genetic methods for human complex traits, Chair of the Genomics Working Group, ENIGMA MRI Imaging Genetic Consortium and Visiting Scientist at the Broad Institute of Harvard and MIT. Professor Medland focuses on two research themes which seek to improve our understanding of the mechanisms influencing mental health and the translation of these findings through a focus on treatment response and cost of illness and through reducing stigma by improving or understanding of mental health challenges.

Program Director, Population Health, Professor Penny Webb
(BA (Hons) (Natural Sciences) (Cambridge) MA (Natural Sciences) Cambridge DPhil (Oxford))

Professor Penny Webb is the interim Program Director for Population Health and QIMR Berghofer where she heads the Gynaecological Cancers Group which she established in 2008. Professor Webb is a founding member of the Australian Ovarian Cancer Study (AOCS) Group and the Australian National Endometrial Cancer Study (ANECs) Group, principal investigator of the Ovarian Cancer Prognosis and Lifestyle (OPAL) Study and leads studies that aim to identify factors that influence risk of, and survival following ovarian and endometrial cancer. She is an Honorary Professor at UQ, Adjunct Professor at QUT and a member of the Queensland Cancer Survivorship Collaborative Executive Group. She is also a member of the Oxford Collaborative Group on Hormonal Cancers.

Clinical Director

The inaugural Clinical Director of QIMR Berghofer will develop a Clinician Scientists strategy for the Institute to attract, support, train and mentor the next generation of clinician scientists. The Clinical Director is responsible for advancing a scientific environment to facilitate training and mentoring of clinician scientists, and for working closely with clinical partners to engage with our clinician scientist fellows in clinical sciences, allied health research, population health and epidemiology research.

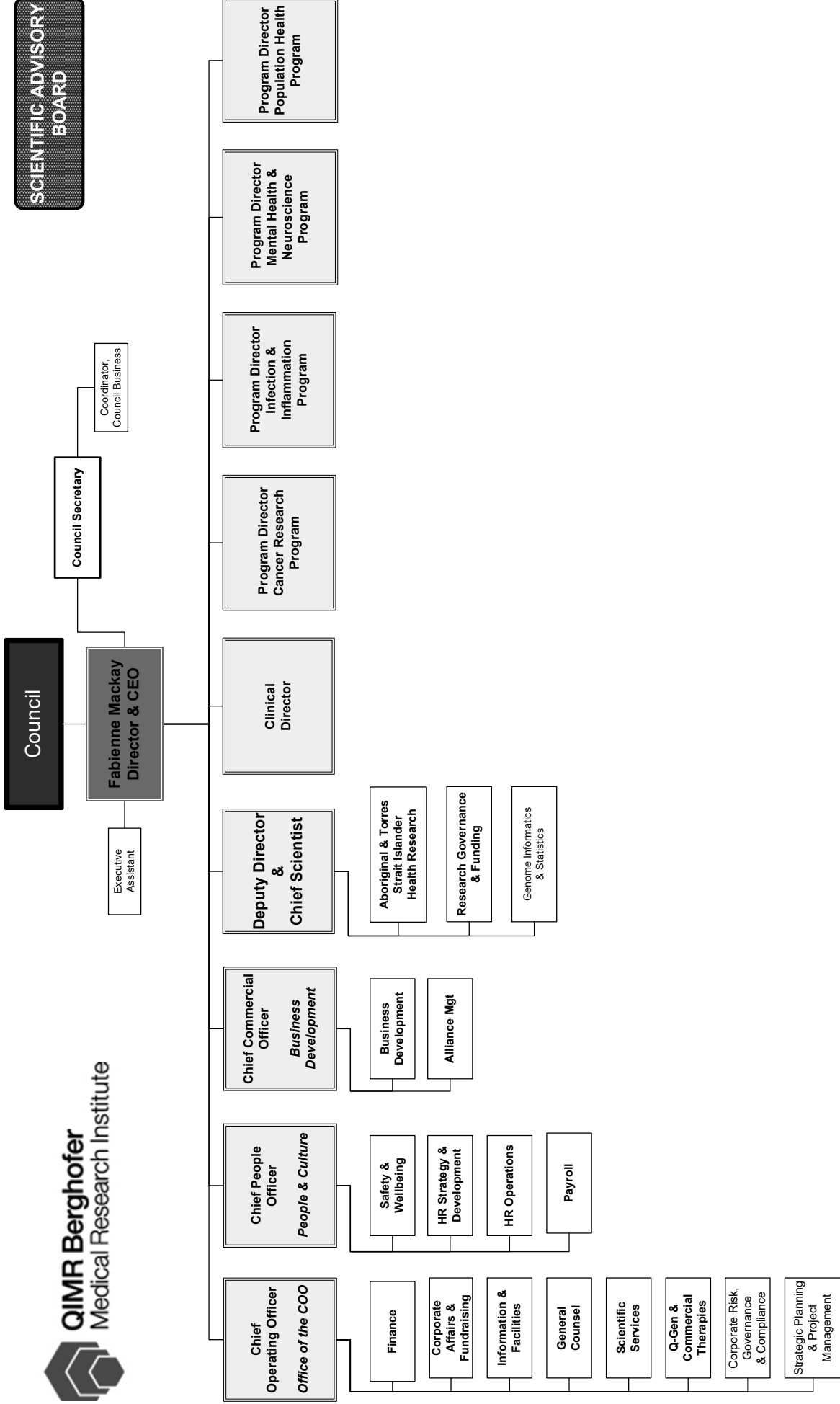
The Clinical Director works with the Program Directors to attract, support and mentor the next generation of clinician scientists, improve translational training and clinical research impact, and develop pathways to take our clinical research from the laboratory to impact, patient care, and commercial outcomes.

Organisational structure

QIMR Berghofer implemented its new *Working better together* organisational structure in March 2022 in support of the Strategic Plan 2022-2025. The structure establishes a Director's Executive Committee chaired by the Director and CEO, with the Deputy Director and Chief Scientist, Clinical Director, four Program Directors, Chief Operating Officer, Chief People Officer and Chief Commercial Officer as members. Clinical Director role is yet to be recruited.

Researchers are aligned with one of the four research programs: Cancer Research; Infection and Inflammation; Mental Health and Neuroscience; and Population Health. The research programs are led by Program Directors. Interim Program Directors were appointed in March 2022 to facilitate the implementation of the new structure.

The Institute's professional staff are organised across the Departments of the Office of the Deputy Director and Chief Scientist; Operations; People and Culture; and Business Development.



Operating environment

QIMR Berghofer aims to deliver better health through impactful medical research by developing prevention strategies, new diagnostics and health treatments. Its strategic objectives are to:

- support ground-breaking research discoveries
- promote a world-class, collaborative and sustainable research environment
- achieve impactful medical research

The realisation of QIMR Berghofer's strategic objectives depends on the Institute's success in securing funding from government and non-government sources. In 2021–2022, QIMR Berghofer received an operating grant of \$18.9 million from the Queensland Government, representing approximately 14 per cent of total revenue. This, together with competitive, peer-reviewed medical research grants, is QIMR Berghofer's most significant source of funding.

QIMR Berghofer leverages the Queensland Government grant, and the support operations it finances, to secure competitive, peer-reviewed medical research grants. However, competition for research grants has increased and national success rates have continued to fall in recent years, meaning that QIMR Berghofer is now funding a greater proportion of its research. For that reason, a high priority for the Institute is securing new and ongoing sources of income. The Institute's 2022-2025 Strategic Plan is positioned to deliver an increase in research and grant success as well as growing its translation and commercialisation revenue through considered investment over the next three years.

Government Objectives for the Community

Unite and Recover – Queensland's Economic Recovery Plan

QIMR Berghofer is aligned to the health needs of Queenslanders and directly contributes to the Government's objective of Unite and Recover – Queensland's Economic Recovery Plan by translating the discoveries and knowledge it produces into improved clinical practice, thereby strengthening the public health system. Specifically, QIMR Berghofer researches and creates new and improved prevention strategies, diagnostics and treatments for a range of diseases and disorders.

Safeguarding our health

Each of QIMR Berghofer's four research programs – Cancer Research, Infection and Inflammation, Mental Health and Neuroscience, and Population Health – supports the needs of Queenslanders. By focusing on diseases and conditions affecting Queenslanders, QIMR Berghofer will help address pressures facing the public health care sector by lessening rates of disease and improving quality of life and health care practices.

QIMR Berghofer's research program continues to respond to the COVID-19 pandemic. QIMR Berghofer has nine COVID-19-related research projects underway. Several of these have already generated promising findings.

Professor James Hudson and his group have discovered how COVID-19 damages the heart and have identified a class of drugs that can protect or reverse this cardiac injury. The research has led to a new joint project with doctors at the Royal Brisbane and Women's Hospital Intensive Care Unit to develop and test similar drugs to treat sepsis patients.

Professor Sudha Rao has developed two promising new drugs to prevent infected people from becoming seriously unwell and help prevent long COVID-19. The drugs would be given post-exposure to reduce viral load and stop the spread of the virus in infected cells. Researchers are now refining and formulating the drugs towards clinical evaluation.

Professor James Roberts and his team have provided the Queensland Government with preliminary COVID-19 modelling on two occasions. The data was used to assist Queensland's response to COVID-19 and understand the potential impacts of the pandemic on the State.

Researchers within the Institute's Cancer Research Program continue to pioneer novel strategies and revolutionise new treatments across a broad range of cancers to help save lives and improve the quality of treatment. They are developing new techniques that will help us to understand, prevent, detect and treat cancer which is a leading cause of death in Australia. The work across a broad range of cancers includes investigating specific environmental and genetic factors that reduce a person's risk of developing cancer. They are also studying better screening tests to detect cancer earlier and find more effective treatments through clinical trials.

QIMR Berghofer's Population Health Program focuses on research that will inform prevention, diagnosis, and treatment of cancers, including skin, ovarian, liver, pancreatic, and head and neck cancer. Research includes: developing risk prediction models that can be used to inform screening strategies; identifying determinants of cancer survival to empower patients to implement strategies to improve their outcomes; describing the extent, causes, and consequences of management that is not consistent with guidelines; and providing support for carers of patients with cancer. Other research includes understanding the broad health benefits of vitamin D supplementation and identifying ways to improve management of liver cirrhosis.

QIMR Berghofer's Mental Health and Neuroscience Program is making a meaningful difference to Queenslanders, helping to discover new ways to diagnose and treat mental illness. QIMR Berghofer is leading the Australian effort for the world's largest genetic study of depression and bipolar disorder. This international work will help to detect the genetic factors that contribute to depression and bipolar disorder so improved, tailored treatments can be developed. Researchers have also identified genetic variants that influence suicidal ideation and behaviours. An international collaborative study led by QIMR Berghofer identified brain regions associated with suicidal behaviours using MRI data. QIMR Berghofer continues to lead a randomised control trial investigating the most effective program for people with serious mental health disorders to participate in physical activity, which has been shown to significantly reduce symptoms.

QIMR Berghofer's research capability is also addressing the health impacts associated with changes in demographics and lifestyle, this includes an increase in dementia and Alzheimer's disease as well as chronic inflammatory diseases such as asthma, liver and inflammatory bowel disease.

The Institute is also leading a mental health pharmacogenomics diversity project which seeks to provide information about the utility of currently available pharmacogenomic tests for Aboriginal and Torres Strait Islander peoples and for major migrant groups within the Australian community.

Over one third of QIMR Berghofer research is dedicated to diseases that have a higher incidence in Indigenous Australians, and our Indigenous Genomics Health Literacy Project is providing important information on DNA, genes, genetic health, genetic testing and precision medicine to support better health outcomes.

Supporting jobs

QIMR Berghofer contributes to the Queensland Government's objective of supporting jobs with approximately 1000 employees, students, visiting scientists and casual staff.

To support the new Strategic Plan 2022-2025, QIMR Berghofer is undergoing a phase of investment which will see an increase in the number of full-time positions, helping to support job creation in Queensland.

Further, the Institute is expanding its commercial and licensing agreements and promoting its scientific services to clients globally. In 2021–2022, the Institute entered into commercial agreements with companies Proteomics International Laboratories Ltd and Dynomics Australia. This work is supporting jobs in the high-value bio-medical sector and is generating investment into Queensland.

Making it for Queensland

QIMR Berghofer contributes to the Queensland Government's objective of making it for Queensland by growing biomedical manufacturing and creating new jobs through the Institute's TGA-licensed, advanced cell therapy manufacturing facility, Q-Gen Cell Therapeutics.

Q-Gen is one of the largest facilities of its kind in Australia and is leading the drive for the cell therapy manufacturing industry within Queensland and Australia. The facility is fully integrated and allows QIMR Berghofer to manufacture its cellular immunotherapies for clinical trials. Q-Gen also supports the development of cell therapies from other Australian research institutions and biotechnology companies, as well as attracting international companies to undertake their manufacturing and clinical trials in Queensland.

In 2019, the Q-Gen Quality Improvement Plan delivered a \$4 million upgrade and expansion of the facility, \$1.4 million of which was funded by the Queensland Government. Since that time, Q-Gen

has been successful in implementing a growth strategy. In the last five years, Q-Gen has delivered \$14 million in manufacturing services, adding 24 new jobs to the advanced medical manufacturing sector. QIMR Berghofer has supplied life-saving therapies for 19 critically ill patients in the last year through the Therapeutic Goods Administration's Special Access Scheme, all manufactured at Q-Gen.

Demand for Q-Gen's manufacturing continues to grow and the facility has forward contracts exceeding \$7 million. QIMR Berghofer is actively seeking opportunities for the development of expanded cell therapy manufacturing capacity in Queensland. A business plan is currently being prepared to upgrade and expand Q-Gen's facilities to enable the manufacturing of phase 3 and commercial products.

Investing in skills

QIMR Berghofer is educating and training the scientists of tomorrow by hosting 205 university-level students at the Institute and running a comprehensive high school education program for approximately 818 students. The Regional Roadshow Program also engaged with 530 students in eight regional schools.

Backing our frontline services

QIMR Berghofer is supporting the delivery of world-class frontline health services through involvement in 22 active clinical trials in 2021-2022. These include a Phase 1 clinical trial of allogeneic SARS-CoV-2-specific T cells for patients at risk of severe COVID-19 and a pilot and feasibility randomised controlled trial of a cognitive behavioural family intervention for reducing bullying victimisation and mental illness in adolescents.

Strategic framework

The Institute's Strategic Plan 2022-2025 sets the priorities for its operational activities over the next four years. The Strategic Plan is available online at <https://www.qimrberghofer.edu.au/wp-content/uploads/2022/07/QIMR-Berghofers-2022-2025-Strategic-Plan.pdf> and is updated on 1 July each year in accordance with Queensland Government requirements. Approved by The Council of the Queensland Institute of Medical Research, the revised Strategic Plan (2022-2025) was implemented from March 2022. Its vision to lead the way to significant innovation in health – nationally and globally with the purpose of better health and wellbeing through impactful medical research will define how the Institute is successful within a challenging and changing environment.

Annual review of operations

QIMR Berghofer's operations in the reporting period were aligned to the objectives in the Strategic Plan 2022-2025, which reflects QIMR Berghofer's new ways of working and new leadership, underpinned by our Working better together operating structure.

REVIEW OF PERFORMANCE

Review: Support ground-breaking research discoveries

QIMR Berghofer's research aim is to be bold, innovative and impactful with a focus on health challenges that are important for Queensland. These include cancer, infectious diseases, inflammation, genetics of diseases, mental health and neuroscience, population health and Aboriginal and Torres Strait Islander Health.

Discovery of new research paradigms with impact

- Invented a breakthrough vaccine to fight against the common and potentially dangerous Cytomegalovirus or CMV. The CMV virus can cause severe disabilities and sometimes death in unborn babies and transplant recipients. Extensive preclinical testing of the bivalent vaccine has produced strong neutralising antibody and CMV-specific polyfunctional T cell responses. The QIMR Berghofer team has also successfully developed a process to produce the vaccine's polyepitope protein and has signed an option to license agreement with US-based biotech company Dynavax Technologies to further develop this vaccine.
- Led the field of cellular therapy in Australia. Specifically, we are using T-cell engineering to make chimeric antigen receptor T cells (CAR-T) and these have been used to treat patients with leukaemia and lymphoma at the Royal Brisbane and Women's Hospital (RBWH). This is a revolutionary new treatment that is only available in a very limited number of hospitals Australia wide.
- Signed an agreement with US investment firm Maverick Capital worth up to \$63 million for the assignment of partial royalty entitlements from an off the shelf new treatment for multiple sclerosis which QIMR Berghofer licensed to Atara Biotherapeutics in 2015.
- Commenced a phase IIb clinical trial in Canada and Brazil, using an approved drug – Apabetalone, that could prevent COVID-19 related heart problems. In severe cases, the immune system overreacts to the infection and can cause damage to the heart. QIMR Berghofer researchers studied thousands of lab-grown, miniature human heart organoids to understand how COVID-19 causes cardiac damage.
- Analysed data from the QSkin Study, suggesting up to 29 per cent of melanomas may be “over diagnosed”; that is, skin examination leads to diagnosis and treatment, but the melanoma would never have caused a problem if left untreated. The findings highlight the need for further research to determine why some melanomas appear to stay dormant for long periods of time. This finding may lead to more accurate diagnostic tools which could spare patients from unnecessary treatment and save health system costs.
- Used stem cells from human Alzheimer's patients to develop a model of the blood brain barrier (which blocks most drugs from entering the brain). QIMR Berghofer researchers, working with collaborators from the Queensland Brain Institute, have used ultrasound treatment to deliver higher doses of a new Alzheimer's therapeutic (Aduhelm) across the barrier. These findings could enable significant new treatment options for people with dementia.
- Identified 144 genes that influence both depression and anxiety, providing new insights into why these disorders so often co-occur.
- Discovered evidence of a rise in climate change anxiety amongst children and teenagers with the attitudes of parents, communities, and governments among the main influences. The study highlights the need for better understanding about how climate change is communicated to the younger generation.

Transformative research in health areas of great need in Queensland

- Developed preliminary COVID-19 modelling for border reopening scenarios in Queensland, for the State Government. The modelling, led by five researchers at QIMR Berghofer, looked at the vaccine rollout and border reopenings. Researchers also provided modelling on the impact of COVID-19 and hospital admissions.
- Launched a landmark study with Queensland Health to unlock critical genetic information to discover why individuals have differing immune responses to COVID-19 and various vaccines.
- Discovered evidence that T cell immunotherapy could help fight multiple strains of COVID-19. The research led to the development of T cell-based immunotherapy capable of treating multiple COVID-19 variants in the sickest patients, providing new hope to immunocompromised people who are particularly vulnerable to the virus. QIMR Berghofer researchers will study the therapy's safety in initial clinical trials, ahead of broader clinical trials assessing its efficacy.
- Found that people who are genetically predisposed to develop acid reflux may be more vulnerable to developing severe COVID-19. The research found that genes associated with gastro-oesophageal reflux disease (GORD) were also associated with an increased risk of COVID-19 hospitalisation. GORD is a chronic form of acid reflux and one of Australia's most common gastrointestinal conditions.
- Commenced research on the emerging Japanese Encephalitis virus (JEV) in Australia, including work to identify mosquito vectors and vertebrate reservoirs, and the immuno-efficacy of new, intradermal, reduced dose JEV vaccination methods. The southern spread of JEV shows that extreme weather events due to climate change and global warming might lead to the establishment or spread of mosquito-borne diseases of public health significance in Australia. JEV has a high fatality rate of 30 per cent in the very small number of people who develop symptoms. The Mosquito Control Laboratory at QIMR Berghofer screens mosquito collections from around Queensland for viruses of public health importance.

Impactful research improving health outcomes and health equity for First Nations people

- Investigated communication training for mental health professionals, developing cultural sensitivity and capability to improve mental health outcomes for Aboriginal and Torres Strait Islander people.
- Developed and implemented the 'Clinical Yarning' training in partnership with universities, service providers and consumers. The training aims to improve communication between clinicians and Aboriginal and Torres Strait Islander peoples.
- Integrated Genetic Health Care – Improving access for Aboriginal and Torres Strait Islander People to clinical genetics through partnerships and primary health leadership. A clinical guideline that aims to describe culturally safe and appropriate integrated healthcare and referral pathways to support and improve access for Aboriginal and Torres Strait Islander Peoples to clinical genetic services.

Quality and quantity of research publications

Two of the best indicators of scientific excellence are the number of papers an institute publishes and the number of times those papers are cited by other researchers worldwide. In 2021-2022, QIMR Berghofer researchers published 616 unique publications, which have so far been cited 4524 times.

Research innovation enabled by cutting-edge technology and infrastructure

- Discovered novel causes of cancer: QIMR has a number of laboratories that have been able to sequence cancers from patients all around Australia. This work has led to new discoveries about the origins of cancers and has given clues for the use of new types of treatments that can be used to help patients with these cancers. Specifically, in the last year, our researchers have identified genes that are important in melanoma, pancreatic cancer and women's cancers.
- Developed a new prototype new saliva test that could rapidly detect COVID-19 infection and may indicate if a person is likely to become seriously unwell. The test, which is faster than a PCR test, could potentially show if a person is more likely to require hospital care, making it a valuable screening, triaging and monitoring tool.
- Developed a new genetic tool to detect people most at risk of the genetic multi-cancer disease, Li-Fraumeni syndrome. People with Li-Fraumeni syndrome develop multiple cancers at a young age, including breast cancers, brain tumours, sarcomas, adrenal gland cancers, and leukaemia. They are also more prone to very rare cancers. This new tool will make it easier for doctors and scientists to identify which genetic changes are likely to cause the disease, ensuring the best possible advice is provided to patients and greater certainty for families.
- Completed a clinical trial examining the impact of non-invasive brain stimulation on obsessive compulsive disorder (OCD) symptoms using Transcranial Magnetic Stimulation.

Review: Promote a world-class, collaborative and sustainable research environment

At QIMR Berghofer our *Working better together* operating structure promotes collaboration, inclusion, delegation and teamwork. We take responsibility for our actions and for achieving our objectives. Our decision-making is transparent, and communication is clear. Our best practice corporate governance and professional support services ensure an optimised and sustainable operating environment, while effectively managing risk and maximizing opportunities.

Agile, problem-solving, fiscally responsible Institute

QIMR Berghofer has a long history of exceptional financial management evidenced by an accumulated surplus of \$369 million as at 30 June 2022.

The Institute returned an operating deficit of \$1.3 million for the financial year, impacted negatively by market movements on financial investments, however there has been increasing monetisation of the Institute's intellectual property with significant commercialisation income in the period.

The Institute still continues to invest prudently in the Strategic Plan and expects to deliver significant returns within a few years by improving the Institute's research and grant success, increasing market share and ensuring public trust and confidence in medical research. It will also support an increase in translation and commercialisation, through research with higher commercial potential.

Effective governance and management

The organisational change plan conducted from October 2021 to March 2022 established a new organisational structure and defined key roles to support effective governance and management. A new Director's Executive Committee was constituted with the Institute Management group as members.

The new organisational structure included the establishment of an Operational Leadership Team, responsible for the strategic direction and delivery of professional support and scientific services across the Institute ensuring an optimal and sustainable research environment.

A Research Governance and Funding department was established in the Deputy Director and Chief Scientist's Office to provide strategic leadership in research governance, integrity, ethics and compliance at the Institute.

A new Corporate Risk, Governance and Compliance function was established to strengthen our capabilities, controls and capacity to enable and ensure effective corporate governance, assessment and management of our risks, and implementation of controls supported by an appropriate culture to meet our compliance obligations. Also, formal working groups have been established to provide additional support on specific matters such as management of fraud and corruption risks, and risks associated with conflicts of interest.

The previous Finance and Audit Committee was renamed to recognise the Committee's expanded role in risk management within the Institute, now known as the Audit, Risk and Finance Committee. The Terms of Reference for this Committee was updated to reflect this change.

An engaged workforce demonstrating diversity, equity and inclusion

At QIMR Berghofer, we are actively supporting women to pursue careers in medical research.

As at 30 June 2021, women accounted for 59.4 per cent of all staff, including 63.5 per cent of research staff and 58.1 per cent of students.

Women hold 44% of lead research positions (faculty), and 45% of new faculty appointments in the last five years have been women. Two of our four acting Program Directors are women, and 50 per cent of the Director and CEO's Executive Committee are female.

QIMR Berghofer has a policy to help more female scientists move into, and stay in, scientific leadership roles. Women scientists employed at the level of senior research officer and higher, who have at least one child below high-school age, can apply for up to \$10,000 in financial assistance in addition to their salaries. These funds can be used at the scientist's discretion.

Under the policy, female scientists employed at the slightly lower level of research officer, who have at least one child below high-school age, can apply for financial assistance for particular expenses. This could include covering the cost of childcare while the scientist attends a conference.

The Institute also has several other measures in place to make it easier for mothers to return to work, including securing places for children under two at a local childcare centre, and having a designated room for nursing mothers.

We offer flexible working hours, job-sharing and part-time work arrangements. We also offer parking at our premises for all pregnant women in their final month before maternity leave.

Exemplary work culture and environment attracting and retaining talent

QIMR Berghofer has attracted external talent and recognised and promoted internal talent in the 2021-2022 reporting period.

The Institute hosted 140 visiting scientists, affiliates, honorary/emeritus appointees and clinical fellows, and 137 higher degree students who were placed at the Institute by collaborating universities.

Successful career development and increased success for researchers

QIMR Berghofer researchers received support for career development to promote research success through a number of schemes:

- Rewards for success in Investigator and Ideas Grants
- Near miss grants for Investigator and Ideas Grants
- Training to improve impact statements
- Rewards for high-impact journal publications

Effective communication and celebration of success

QIMR Berghofer resumed Institute tours, community forums, seminars and external speaking engagements under COVID-safe protocols. In June, we hosted a public Dementia forum featuring QIMR Berghofer researchers. Overall, 180 people attended, including 105 people online.

This year we hosted six tours of the Institute and attended 41 external speaking engagements with community groups. In total, these activities reached about two thousand people. Community participation has been affected by COVID-19 control measures, including our cap on the size of visiting tour groups.

The Regional Roadshow Program presented to eight schools in Toowoomba, Townsville and Gladstone, speaking to 530 students.

Successful engagement with research collaborators, commercial partners and philanthropic supporters

QIMR Berghofer has a long track record of successful and enduring research collaborations with our partner institutions locally, nationally and internationally. These include, but are not limited to:

- Together with UQ, QIMR Berghofer co-founded and co-manages the Australian Skin and Skin Cancer Research Centre, the Australian Infectious Disease Research Centre, the Queensland Mental Health Alliance and the Queensland Emory Development Alliance.
- Together, with the Princess Alexandra Hospital and the Translational Research Institute, QIMR Berghofer established the Queensland Head and Neck Cancer Centre of Excellence.
- The Institute is a partner in the Herston Imaging Research Facility.
- QIMR Berghofer is a key member of the Queensland Genomics Health Alliance (QGHA).
- The Institute is also an active member and founder of the Brisbane Diamantina Health Partners, now Health Translation Queensland (an Advanced Health Research and Translation Centre).
- The Institute has been the beneficiary of generous donations from leading Queensland philanthropic individuals and foundations for expansion of high priority COVID-19 research, which is enabled by the Institute's PC3 biosecurity facility and research expertise.

Commercial income increased through industry partnerships and entrepreneurial endeavours

QIMR Berghofer undertakes industry-sponsored, collaborative research with local, national and international companies.

In 2021–2022, QIMR Berghofer's income from commercial collaborations and contract research was forecast to reach \$42 million. Revenue from commercial manufacturing of cellular immunotherapies (Q-Gen) is forecast to reach an additional \$5 million.

Biopharmaceutical companies have the expertise and resources to move research findings from the laboratory bench to the hospital bedside. Collaborating with industry allows us to turn our scientific discoveries into new drugs, treatments and diagnostic tests for the community.

These commercial agreements are also an important source of revenue, which creates jobs and helps to fund further research.

Review: Achieve impactful medical research

Research funding success

- QIMR Berghofer received an estimated \$30 million in competitive, peer-reviewed medical research grants in 2021-2022.
- Secured \$12.05 million in new funding from the National Health and Medical Research Council.
- Secured \$997,796 in new funding from the Medical Research Futures Fund.
- Secured a US Department of Defence Congressionally Directed Medical Research Program grant worth over \$1.25 million.
- Raised more than \$1.8 million to support priority COVID-19 research.

Improved patient outcomes

- Published new clinical recommendations to help general practitioners diagnose pancreatic cancer earlier. Pancreatic cancer is a leading cause of cancer death in Australia, with most people being diagnosed after it has spread. The new recommendations aim to support doctors to identify pancreatic cancer earlier, by providing advice about which patients should undergo specific investigations of their pancreas, based on combinations of their symptoms and risk factors.

In 2021–2022, the Institute led 22 clinical trials as a result of research undertaken at QIMR Berghofer. These include:

- Phase 1 open-label clinical trial of allogeneic SARS-CoV-2-specific T cells for patients at risk of severe COVID-19
- PARTING: Psilocybin-Assisted supportive psychotherapy in the treatment of complicated Grief feasibility trial
- The SUN-D Trial: the effect of high SPF sunscreen application on vitamin D
- A randomized, double blind, placebo controlled trial to evaluate the safety, tolerability and anti-parasitic immunity boosting activity of Ruxolitinib when co-administered with artemether-lumefantrine in healthy volunteers with Plasmodium falciparum Induced Blood stage Malaria
- A repository of SARS-CoV-2-specific T cells for adoptive immunotherapy
- Dose finding clinical trial of sodium benzoate in people living with treatment refractory schizophrenia

- PRoCESS: Pancreatic cancer Relatives Counselling and Education Support Service trial. Assessing the effect of nurse-led counselling, compared with information alone, on participant-reported outcomes and use of medical services
- THYroid Replacement Options for Primary Hypothyroidism: A Pilot Study
- A phase 1b study to evaluate the blood stage antimalarial activity of a single oral dose of tafenoquine in healthy subjects experimentally infected with *Plasmodium falciparum*
- Phase 1 open-label clinical trial of allogeneic multi-virus-specific T cells for the treatment of viral complications in transplant recipients
- PROMISE: Patient Reported Outcome Measures in cancer care: a hybrid effectiveness-Implementation trial to optimise symptom control and health service experience
- The establishment of a Hong Kong-based repository of vitro-expanded Epstein-Barr virus (EBV)-specific T cells for the treatment of EBV-associated cancers
- Pilot and feasibility RCT of a cognitive behavioural family intervention for reducing bullying victimisation and mental illness of adolescents
- Phase 1 clinical trial of adoptive transfer of multi-virus-specific T cells into TCR $\alpha\beta$ + / CD19+ - depleted haploidentical HSCT recipients
- Experimental vaccination with radiation attenuated hookworm larvae
- The establishment of a repository of in vitro-expanded T cells for the treatment of viral complications in transplant recipients
- Restoring the function of brain networks in Obsessive-Compulsive Disorders using non-invasive brain stimulation
- Safety and Immunogenicity study of a genetically attenuated malaria vaccine candidate in healthy volunteers
- Prospective Imaging Study of Ageing
- Phase I trial to assess the safety and tolerability of autologous CMV-specific T cells as adjuvant therapy for primary glioblastoma multiforme
- Phase I open label clinical trial of autologous T cell therapy for the treatment of cytomegalovirus reactivation and disease after transplantation
- The D-Health Trial: A study of vitamin D supplementation for the prevention of mortality and other adverse health outcomes.
- Phase I/II open-label clinical trial of autologous Epstein–Barr virus-specific T cell therapy as consolidative treatment following chemotherapy for metastatic EBV-associated nasopharyngeal carcinoma
- A Phase 1 study to characterise the transmission of an *in vitro expanded Plasmodium falciparum* 3D7-MBE008 master cell bank in healthy subjects

Competitive international ranking as a not-for-profit medical research institute

In 2021-2022, QIMR Berghofer was one of only three Australian institutions included in the Nature index of the world's top 100 not-for-profit science institutions, coming in at 55. This ranking is based on the Institute's share of articles published in 82 prestigious scientific journals selected by an independent panel of experts.

Peer recognition, membership of academies, advisory and committee representation

- Professor Fabienne Mackay was appointed a member on the Research Committee of the National Health and Medical Research Council.
- Professor Sarah Medland OAM was elected Fellow of the Australian Academy of Science and named in The Australian 2021 Superstars of Research Magazine's top 40 lifetime achievers in Health & Medical Sciences for research impact in psychiatry.
- Dr Siok Tey was awarded the Metcalf Prize for Stem Cell Research for her work to improve cancer outcomes and make bone marrow transplantation safer. She also received the Chief Executive Award at the 2021 Metro North Health Research Excellence Awards.
- Professor Penny Webb was elected a Fellow of the Australian Academy of Health and Medical Sciences, in recognition of her outstanding achievements as a cancer epidemiologist.
- Professor Steven Lane was awarded Metro North Health 2022 Researcher of the Year.
- Professor Georgia Chenevix-Trench was awarded the prestigious Suzanne Cory Medal and Lecture from the Australian Academy of Science.
- Dr Bjorn Burgher, received the 2022 Royal Australian and New Zealand College of Psychiatrists (RANZCP) Early Career Psychiatrist Award.
- Dr Nic Waddell was selected as an Australian Academy of Health and Medical Sciences mentee.
- Professor Sudha Rao, Associate Professor Kate Gartlan, Associate Professor Michelle Hill and Associate Professor Jason Lee were each awarded Research Exchange and Development within Industry (REDI) Fellowships worth up to \$250,000.

Media presence

QIMR Berghofer research received widespread media coverage across all major news outlets for the 2021-2022 year, including ABC TV/radio, Channel Nine, Seven and Ten, The Australian and the Sydney Morning Herald. The Institute delivered 44 media releases that received a combined audience reach of 58 million.

Notable media coverage was achieved for Associate Professor Greg Devine for his work on Japanese encephalitis virus with an audience reach of 14 million; and Professor Rajiv Khanna for his research on cytomegalovirus (CMV) with an audience reach of 7.8 million.

Our scientists were called upon as key opinion leaders on a variety of subjects including:

- Professor Nick Martin, twins and Parkinson's research
- Professor David Whiteman, skin cancer research
- Professor Rachel Neale, vitamin D and impact on health
- Associate Professor Greg Devine, Japanese encephalitis virus (JEV)

The Institute's own podcast channel (<https://www.qimrberghofer.edu.au/news/bodylab-podcast/>), which promotes the ground-breaking research, received 9,500 downloads in the past year.

Highly-cited publications published in world leading scientific journals

- In the world's largest genetic study of acne, QIMR Berghofer researcher uncovered 29 new genes that appear to increase a person's risk of developing acne.

Mitchell, B L; Lupton, M K; Martin, N G; Rentería, M E; (...); Simpson M A; (2022). "Genome-wide association meta-analysis identifies 29 new acne susceptibility loci." *Nature Communications* vol.13, Article number 702

- The NHMRC-funded D-Health Trial is one of Australia's largest clinical trials and the world's second-largest trial of high-dose vitamin D.

Neale, R E; (...)Whiteman, DC; Waterhouse, M; (2022) "The D-Health Trial: a randomised controlled trial of the effect of vitamin D on mortality." *The Lancet. Diabetes & endocrinology* vol.10, Issue 2, pp. 120-128

- QIMR Berghofer-led research has identified genes that appear to increase a person's risk of endometrial cancer, in findings which could help the discovery of new treatments and therapies.

Kho, PF; O'Mara, TA; (...); Glubb, DM; (2021). "Multi-tissue transcriptome-wide association study identifies eight candidate genes and tissue-specific gene expression underlying endometrial cancer susceptibility." *Communications Biology*, vol.4, Article number 1211

- This review used a social-ecological framework to identify the influences on climate anxiety for young people.

Crandon, T J; (...); Thomas, H J; (2022). "A social-ecological perspective on climate anxiety in children and adolescents." *Nature Climate Change* vol.12 pp. 123-131

- This study assessed whether treatment response for depression could be improved via a single target for repetitive transcranial magnetic stimulation (rTMS) that represents the average optimal site or whether targets need to be personalised for each patient. Clinical response to rTMS was significantly better when patients were treated closer in proximity to personalized targets.

Cash, R.F.H., Cocchi, L., Lv, J., Fitzgerald, P.B., Zalesky, A. (2021), "Functional Magnetic Resonance Imaging-Guided Personalization of Transcranial Magnetic Stimulation Treatment for Depression" *JAMA Psychiatry*, 78 (3), pp. 337-339.

- Handedness has been extensively studied because of its relationship with language and the over-representation of left-handers in some neurodevelopmental disorders. Findings from this study suggest that handedness is impacted by multiple genes and that the genetic variants that predispose to left-handedness may underlie part of the association with some psychiatric disorders.

Cuellar-Partida, G., Tung, J.Y, (...), Evans, D.M., Medland, S.E. (2021), "Genome-wide association study identifies 48 common genetic variants associated with handedness" *Nature Human Behaviour*, vol.5 (1), pp. 59-70.

- This scoping review is the first to explore the existing original research literature that investigates climate change and mental health using WHO's global research priorities as a framework. The current scoping review has shown that climate change and mental health represents a rapidly growing area of research; however, it is underdeveloped and will need to accelerate and broaden in scope to respond with evidence-based mitigation and adaptation strategies.

Charlson, F., Ali, S., (...), Scott, J.G., (2021), "Climate change and mental health: A scoping review" *International Journal of Environmental Research and Public Health*, vol.18 (9), art. no. 4486.

- These findings demonstrate the basis of selective T cell cross-reactivity for an immunodominant SARS-CoV-2 epitope and its homologs from seasonal coronaviruses, suggesting long-lasting protective immunity.

Lineburg, K. E., Grant, E. J., (. . .) Gras, S. (2021). "CD8(+) T cells specific for an immunodominant SARS-CoV-2 nucleocapsid epitope cross-react with selective seasonal coronaviruses." *Immunity*, vol.54 (5), 1055-1065 e1055.

- This unique, liver biopsy-based study of a well characterized cohort of patients with HFE-haemochromatosis, before and after treatment demonstrated the clinical utility of simple, inexpensive biomarker indices for the diagnosis and/or monitoring of advanced hepatic fibrosis. Chin J, Powell LW, Ramm LE, Hartel GF, Olynyk JK* and Ramm GA, (2021). “Utility of serum biomarker indices for staging of hepatic fibrosis pre- and post-venesection in HFE-Haemochromatosis”. *Clin. Gastroenterol. Hepatol.*, vol.19 (7) pp. 1459-1468.

- This study demonstrated an attractive therapeutic candidate for cardiac dysfunction, however, the side effect profiles of may require more investigation. Mills RJ, Humphrey SJ, Fortuna PR, (...) Hudson JE, (2021). “BET Inhibition Blocks Inflammation Induced Cardiac Dysfunction and SARS-CoV-2 Infection.” *Cell* vol.184 (8).

- New antimalarials with novel mechanisms of action are needed to combat the emergence of drug resistance. Triaminopyrimidines comprise a novel antimalarial class identified in a high-throughput screen against asexual blood-stage *Plasmodium falciparum*. This first-in-human study aimed to characterise the safety, pharmacokinetics, and antimalarial activity of the triaminopyrimidine ZY-19489 in healthy volunteers. Barber et al, (2022). “Safety, pharmacokinetics and antimalarial activity of the novel triaminopyrimidine ZY-19489: a first-in-human randomised, placebo-controlled, double-blind, single ascending dose study, a pilot food effect study, and a volunteer infection study.” *Lancet Infect Dis*; vol. 22(6) pp. 760-76

- This large-scale registry-based case-control study found that pathogenic variants in BRCA1 and BRCA2 were associated with the risk of 7 cancer types, and expands the cancer risk profile to include biliary tract cancer (BRCA1), esophageal cancer (BRCA2), and gastric cancer (BRCA1, BRCA2) in addition to the 4 established cancer types. This has implications for future cancer screening and control. Momozawa Y, Sasai R, Usui Y, (...) Kubo M, (2022) “Expansion of Cancer Risk Profile for BRCA1 and BRCA2 Pathogenic Variants.” *JAMA Oncology*. Apr 14

- There is concern that increased skin screening is leading to overdiagnosis of indolent (i.e., slow-growing) melanomas that are unlikely to lead to death from melanoma. This analysis of the large QSkin Study cohort demonstrates that this is occurring within Queensland. People with the same underlying melanoma risk are much more likely to be diagnosed with melanoma if they are screened. This has implications for advice about population-based skin screening in Australia.

Whiteman DC, Olsen CM, MacGregor S, Law MH, Thompson B, Dusingize JC, Green AC, Neale RE, Pandeya N; (2022). “QSkin Study. The effect of screening on melanoma incidence and biopsy rates.” *British Journal of Dermatology* May 9.

- Adele Green and Louisa Gordon made a considerable contribution to this manuscript. It was the subject of an editorial and has led to upcoming discussions with British MPs who are scheduled to debate in parliament next month whether the UK should ban commercial sunbeds completely.

Eden M. Hainsworth R, Gordon LG, Epton T, Rhodes LE, Marais R, Green AC, Payne K, (2022). “Cost-effectiveness of a policy-based intervention to reduce melanoma and other skin cancers associated with indoor tanning.” *British Journal of Dermatology* vol.1187 pp, 105-114

- The paper demonstrates that a bacterium *Wolbachia* can be used to effectively suppress populations of a dengue vector, mosquito *Aedes aegypti*. This work, which was the subject of

media coverage, sets the groundwork for further development of a technology that could prove critical for preventing dengue mosquito from re-establishing in Brisbane.

Beebe NW, Pagendam D, Trewin BJ, Boomer A, Bradford M, Ford A, Liddington C, Bondarenko A, De Barro PJ, Gilchrist J, Paton C, Staunton KM, Johnson B, Maynard AJ, Devine GJ, Hugo LE, Rasic G, Cook H, Massaro P, Snoad N, Crawford JE, White BJ, Xi Z, Ritchie SA, (2021). “Releasing incompatible males drives strong suppression across populations of wild and Wolbachia-carrying *Aedes aegypti* in Australia.” *Proceedings of the National Academy of Sciences* vol. 118

Successful commercialisation of novel therapies and major transformations in health care

- Seven-year collaboration with US biopharmaceutical company Atara Biotherapeutics to develop and commercialise therapies for certain cancers and autoimmune disorders using technology developed at QIMR Berghofer.
- Signed an agreement with US investment firm Maverick Capital worth up to \$63 million for the assignment of partial royalty entitlements from an off the shelf new treatment for multiple sclerosis which QIMR Berghofer licensed to Atara Biotherapeutics in 2015.
- Continued a collaborative research and development agreement with start-up company MedAir Australia to test a new air-sterilisation device designed to eliminate infectious SARS-CoV-2 virus aerosols from the air.
- Secured a deal to develop a novel cancer companion diagnostic. The names and value of the agreement are commercial-in-confidence.

COMMUNITY ENGAGEMENT

As Queensland's own medical research institute, QIMR Berghofer is passionate about sharing its research with the community. The Institute's community engagement activities have been building momentum since the disruption of the COVID-19 pandemic.

Sharing our research

In 2021–2022, QIMR Berghofer:

- Hosted six public tours of the Institute and attended 41 public speaking engagements involving more than two thousand members of the public. Tours of the Institute and public speaking engagements were disrupted periodically during the year, due to COVID-19.
- The Regional Roadshow Program presented to eight schools in Toowoomba, Townsville and Gladstone, speaking to 530 students.
- Hosted a public forum 'A future without dementia,' with 180 people attending in person at the Institute and online.

High School Education Program

COVID-19 has disrupted the Institute's High School Education Program, with school visits to the Institute cancelled periodically. Despite the disruptions, in 2021–2022, QIMR Berghofer:

- Provided approximately 436 students and 53 teachers from more than 49 different high schools the opportunity to attend the Institute to participate in the education program.
- Hosted 344 students and 48 teachers from 17 schools for the Day in the Life of a Scientist program, involving hands-on experiments in the Institute's purpose-built education laboratory.
- In July 2021, the Institute hosted 54 students and five teachers for the High School Lecture Series, where students attended the Institute to be inspired by world-leading scientists.
- In the second half of 2021, 20 students from 14 different schools attended an intensive three-day work experience program. A further 18 students from two schools participated in the newly developed holiday science experience program.
- The Institute's Regional High School Lecture Series travelled to eight schools across regional Queensland – including in Toowoomba, Townsville and Gladstone - and presented to 530 students.

Community feedback

In 2021–2022, QIMR Berghofer:

- Invited members of the community who have experienced leukaemia, asthma, breast, ovarian and oesophageal cancer to provide input into the Institute's research priorities.
- Commenced planning for a Consumer Program to help the Institute advance medical research through insights and experiences from consumers.

Support from the community

QIMR Berghofer gratefully acknowledges the generosity of everyone who supports our purpose - *Better health through impactful medical research*. Gifts and donations from individuals, community fundraisers and organisations, business and trusts and foundations, play a vital role in supporting groundbreaking research discoveries.

The Institute has been the beneficiary of generous donations from leading Queensland philanthropic individuals and foundations for expansion of high priority COVID-19 research, which is enabled by the Institute's PC3 biosecurity facility and research expertise.

At our annual Council Awards ceremony, QIMR Berghofer awarded Clive Berghofer Humanitarian Awards to supporters - Damien Thompson and the Chimera Legacy Foundation, Laurie's Love Foundation, and Tony Bosso (The Bosso Family) in recognition of their invaluable support of the Institute.

The Institute expresses our continuing gratitude to Clive Berghofer AM for his commitment and generous ongoing support and his leadership in philanthropy in Queensland.

QIMR Berghofer wishes to thank key supporters for 2021–2022:

Antonio Bosso
Amanda Ferguson
Ray and Tina Barton
Barbara Mary Ryan and Eva May Ryan Trust Fund
Biniris Pty Ltd
BioTools
Brazil Family Foundation
BT Managed Accounts
Buck Off Melanoma
Centenary Foundation – The Nancy May McKenize Bequest
Clive Berghofer AM
Donald and Joan Wilson Foundation
Lorraine Duckwitz
E M Squires Charitable Endowment
Estate of Valda Narty Ahern
Estate of Deidre Brown OAM
Estate of Joyce Nancy Baker
Estate of Hilary Elizabeth Cartmill
Estate of Marjorie Winsome May Cathcart
Estate of Norm and Anne Colthup
Estate of Joan Fest
Estate of Hilda Eugene Nita Rose
Estate of Margaret J Roney
Estate of Joyce Harriett Thelander Stewart
Estate of Jeff and Geri Underhill
Estate of Pamela G Webb
Estate of Marilyn Porter
Estate of Ralph Phillips
Estate of Suzie Phillips
Faithful Investment Group
Garry Whyte Sea Angel Private Ancillary Fund
Henry Cyril and Stella May Robjohns Trust

John and Paulette Goodell
Neil and Glenda Herron
John Thomas Wilson Endowment
JJ Richards and Sons
Kazan McClain Partners' Foundation
Kleed Management
Ross and Lyn Klinge
Laurie's Love Foundation
Laurence Edward Wilkins Foundation
Lindsay and Heather Payne Medical Research Foundation
Keith Maher
Margaret Pemberton Foundation
Bob Marshall
Nadia Martin
Barbara McKay
Dr Michael McLean
MG Car Club Qld
Gillian and Ron Moloney
Nancy May McKenzie Bequest
Brian Needham
John and Mary Nowill
Jonathan and Katie Perrins
Jacqueline Pascual
Pankind, The Australian Pancreatic Cancer Foundation
Patricia Guest Foundation
Rae L Peacock
Perpetual Foundation – The John Thomas Wilson Endowment
Play for a Cure Foundation
Queensland Community Foundation
Robert George Relf Trust Fund
Roycorp Pty Ltd

Selwyn Thomas Fassifern Ozanne and Doreen
Elaine Ozanne
Alexander H Sneyd
Snow Medical Research Foundation
Elisabeth and Dr David Stanton
Maureen Stevenson

John and Georgina Story
Brian and Diane Stretton
Richard and Carole Szekely
Wilgarning Trust
William and Hilde Chenhall Research Trust
Kar C Yap

STATUTORY OBLIGATIONS AND COMPLIANCE

Risk management

The Institute is committed to ensuring risk management is an integral part of the Institute's activities and risk management roles, responsibilities and accountabilities are well defined within its Risk Management Policy. The Institute manages Risk as part of its Enterprise Risk Management Framework, and the QIMR Berghofer Council through its Audit Risk and Finance Committee is responsible for ensuring appropriateness and effectiveness of risk management at the Institute.

Ethics, code of conduct and public service values

Based on the principles set out in the *Public Sector Ethics Act 1994*, QIMR Berghofer has a Code of Conduct for expected workplace conduct, relationships and behaviour of staff, in order to foster a safe and productive work environment for all employees. The Code of Conduct was last reviewed by Council in October 2019.

The ethics principles enshrined in the Code of Conduct are:

- integrity and impartiality
- promoting the public good
- commitment to the system of government
- accountability and transparency

Ethical procedures and practices are embedded into QIMR Berghofer's finance, procurement, fundraising, and human resources operations. As part of the staff induction program, employees complete mandatory education and training in public sector ethics and the code of conduct, including their rights and obligations in relation to contraventions. This education and training must be undertaken at regular intervals throughout a staff member's employment. In addition to making available online training modules, the Institute's Human Resources department also schedules workshops and team training sessions on request.

In addition to the Code of Conduct, the Institute also operates in consideration of the Queensland Public Service Values: customers first; ideas into action; unleash potential; be courageous; and, empower people.

Internal audit

Internal audit is a fundamental part of QIMR Berghofer's corporate governance, ensuring the Institute operates effectively, efficiently and economically. The role of internal audit is to provide independent, objective assurance and advice and to bring a systematic, disciplined approach to evaluating and improving the appropriateness and effectiveness of risk management and internal control.

The Audit, Risk and Finance Committee oversees the planning, performance and reporting of the internal auditor under the guidance of an annual internal audit plan. The internal audit contractor (Crowe) met with the Audit, Risk and Finance Committee at each quarterly committee meeting. The internal audit function has observed the terms of its charter and has due regard to Queensland Treasury's Audit Committee Guidelines.

Identifying areas of significant risk combines a focus on both cyclical reviews of core business processes, as well as reviews of key risk areas. Crowe's integrated governance, risk and controls

framework, builds on a traditional internal audit model to take a holistic view of QIMR Berghofer's key objectives, risks, controls and supporting structure across the organisation.

The internal audit plan is presented to the Audit, Risk and Finance Committee for approval prior to the commencement of the financial year, with consideration given to past internal audit findings, recent and forthcoming changes in systems and processes, key business risks and the period since the last internal audit of each core business process. Internal audits completed in the financial year included ethics, procurement and contract management.

Workplace health and safety

QIMR Berghofer is committed to providing a workplace that sustains the health and safety of its staff, students, contractors and visitors. The Institute operates in compliance with the *Work Health and Safety Act 2011*. The Institute has a Safety Committee which serves a dual function as a Workplace Health and Safety Committee and the Institutional Biosafety Committee. The Institute is undertaking a review of the Committees' governance structure to ensure clear and transparent decision making and efficient oversight and management of safety and wellbeing risks.

Pandemic leave provisions for Institute staff continued throughout 2021-2022. COVID-19 safety measures were maintained to reduce the spread of SARS-CoV-2, and staff and students were encouraged to get vaccinated, and were able to do this during work hours.

Safety Committee

The Safety Committee, on behalf of the Director and CEO, provides a consultative forum for improving safety and wellbeing performance across the Institute. In addition, the Committee ensures all practices involving gene technology, goods subject to biosecurity control, biological material, and hazardous chemicals are conducted in accordance with legislation and best safety practices.

At the end of the reporting period, the Committee was comprised of 22 voting members, one independent member and one non-voting members, bringing membership to a total of 24 participants.

Staffing

At 30 June 2022, QIMR Berghofer had:

- 587 employees (529.57 FTE) fixed term, permanent, part-time and fixed term
- 137 high degree students
- 140 visiting scientists, clinical fellows, honorary/emirates, work experience, support visitors and volunteers
- 96 casual staff (26.10 FTE)
- 137 higher-degree students, who are placed at the Institute by collaborating universities

Workforce planning and performance

The majority of QIMR Berghofer staff are employed under the QIMR Berghofer Medical Research Institute Enterprise Agreement. Seventy-eight per cent of the Institute's employees are employed on fixed-term contracts, as research funding relies on short-term grants. In 2021–2022, QIMR Berghofer had FTE staff of 529.57¹ and headcount of 587.

¹ MOHRI FTE data for fortnight ending 17 June 2022

QIMR Berghofer's workforce planning and performance is supported by a range of policies, procedures and initiatives designed to foster a high-performance culture. This includes a set of induction programs for new staff, annual online refresher training, annual performance reviews, an extensive annual program of scientific seminars for staff (including dedicated seminar series for PhD students, early-career researchers and support staff), conference attendance/participation, and opportunities for staff development and career progression.

Equal opportunities

QIMR Berghofer values equity, diversity and inclusion in the workplace and aims to reflect the wider community. The Institute is committed to strengthening equal opportunity through the development of an Equity, Diversity, and Inclusion Strategy, which will be implemented by a new Manager of Strategy and Development and overseen by an Equity, Diversity, and Inclusion Committee.

Operating in consideration of the guidelines endorsed by the Council of the Australian Academy of Science, the Institute aims to ensure women, men and non-binary people have equal opportunities to pursue a successful career in science. The Institute has a Gender Equity Committee, flexible work hours, and job-share and part-time employment options to help staff balance their personal and professional lives.

Women are strongly represented at QIMR Berghofer and hold senior management positions, including as Director and CEO, Chief Operating Officer, Chief People Officer, General Counsel, Group Financial Controller and General Manager Corporate Affairs and Fundraising. In the last five years, 45 per cent of new faculty appointments have been women, 50 per cent of the Acting Program Directors are women, and half of the Director and CEO's Executive Committee are women.

QIMR Berghofer acknowledges the disparity between the health status of First Nations and non-indigenous Australians. The Institute employs a manager of Aboriginal and Torres Strait Islander health research, who has been awarded funding from both the NHMRC and MRFF to grow a team of both First Nations and non-indigenous staff to work with First Nations stakeholders, partners and champions to co-design and deliver health research that benefits communities, families and individuals.

The Institute is respectful and committed to meeting the needs of employees and visitors with disabilities, illnesses or injury. In accordance with Queensland Health's policy of Health Reasonable Adjustment, the Institute makes every effort to provide reasonable adjustments to the workplace to accommodate people with disabilities, and to facilitate return to work for people after incidents and injuries.

Human rights

QIMR Berghofer has complied with its obligations under the *Human Rights Act 2019*. Compatibility with legislative requirements is considered as part of the development of new policies.

QIMR Berghofer has robust processes in place to ensure that all research involving human participants is undertaken in accordance with the *National Statement on Ethical Conduct in Human Research (2007)*. These processes ensure that appropriate research participant consents are obtained in accordance with section 17(c) of the *Human Rights Act 2019* which prohibits scientific experimentation without a person's full, free and informed consent.

During the reporting period QIMR Berghofer has had a particular focus on reviewing its complaints policies and processes to ensure that concerns about the Institute may be expressed by individuals without the risk of any adverse action or unjust treatment. This process is intended to reflect section 21 of the *Human Rights Act 2019* which protects Queenslanders' right to hold and express opinions without interference.

QIMR Berghofer did not receive any complaints under the *Human Rights Act 2019* in the reporting period.

Information systems and recordkeeping

QIMR Berghofer's recordkeeping complies with the *Public Records Act 2002* and *Financial and Performance Management Standard 2019*.

To ensure QIMR Berghofer continues to support the effective, efficient and consistent management of information and comply with the Queensland Government's Records Governance Policy, a review of QIMR Berghofer's Information Management and Data Governance Frameworks is being undertaken. This policy framework will be consistent with the:

- *Information Privacy Act 2009*
- *Public Records Act 2002*
- Queensland Records Governance Policy 2019, or any subsequent published revisions thereof.
- Information Standard No 40 - Recordkeeping (IS40)
- Information Standard No 31 - Retention and Disposal of Public Records (IS31).

The review is aimed at strengthening compliance with the Records Governance Policy requirements.

QIMR Berghofer has reviewed and updated two policies which have been endorsed by the QIMR Berghofer Council in the 2021-2022 reporting period:

- Research Data Management Policy
- Record Keeping Policy

These policies assign formal records management responsibilities to key roles within QIMR Berghofer as well as provide advice and guidance to employees to ensure the Institutes obligations and responsibilities are met.

QIMR Berghofer's Information Management and Data Governance Framework is consistent with the:

- *Information Privacy Act 2009*
- *Public Records Act 2002*
- Queensland Records Governance Policy 2019, or any subsequent published revisions thereof.
- Information Standard No 40 - Recordkeeping (IS40)
- Information Standard No 31 - Retention and Disposal of Public Records (IS31).

The purpose of this framework is to:

- optimise the value and quality of information to support QIMR Berghofer's purpose to achieve better health through impactful medical research

- maximise access to and use of data and tissue samples collected as part of research
- enhance accountability and public confidence in a research entity that handles personal, health and business information and tissue samples
- minimise misuse and inappropriate disclosure of information in order to avoid data breaches
- provide employees with the ability and knowledge to safely access, use, store, share and destroy sensitive, confidential and personal information
- promote appropriate fit-for-purpose information management governance models and mechanisms
- support the effective, efficient and consistent management of information through each stage of the information lifecycle
- foster the adoption of contemporary best practice for data integrity and information management related processes, procedures and policies throughout QIMR Berghofer

QIMR Berghofer keeps physical and electronic documents as full and accurate records of its activities, and uses the Total Records and Information Management (TRIM) document management system. This single, standardised system promotes file and information sharing across the organisation, secures access to the Institute's records, improves accessibility and reduces duplication.

The Information Management and Data Governance Framework review will appraise all records across the Institute to ensure they have been captured, secured and preserved appropriately. This framework review will ensure that an appropriate records capture and retention is incorporated into the business process.

Permanent record retention has already been characterised on specific record areas within QIMR Berghofer. High-value / high-risk records will be introduced into the permanent record governance process.

Records are not disposed of, or archived, unless authorised under the *Public Records Act 2002* or by reference to a Retention and Disposal Schedule approved by the Queensland State Archives (QSA). All QIMR Berghofer records are registered into TRIM before being transferred to the off-site storage provider or QSA. All QIMR Berghofer hardcopy records stored off-site are managed under legislatively appropriate risk management standards and guidelines. QIMR Berghofer continues to ensure that all record types are identified, and managed under the retention and disposal schedule, and that all other legislative requirements for records management are met. This will be considered as part of the Information Management and Data Governance Framework review.

Open data

For information on expenditure related to consultancies and overseas travel for QIMR Berghofer, visit the Queensland Government Open Data website: <https://data.qld.gov.au>.

QIMR Berghofer incurred no expenditure related to the Queensland Language Services Policy in 2021-2022.

FINANCIAL REVIEW

Total comprehensive income in 2021-22 was a surplus of \$39.9m. This includes an increase in building revaluations of \$41.726m, refer Note 21. While income from commercialisation has increased, the returns on financial assets reduced on the performance of markets when compared to the prior year.

The Council's financial structure is mainly based on the management of operating, commercial and grant funds. Funding from competitive grants and commercial contracts spent on research in the 2021-22 financial year was \$41.7m (2020-21: \$38.4m), representing 35 percent (2020-21: 25 percent) of total income from continuing operations. A portion of the Council's operating funding is provided by a grant from Queensland Health of \$18.864m, refer Note 3 (2020-21: \$18.0 million).

The Council's total funding resources, including amounts under management at 30 June 2022, totalled \$248.840m, refer Statement of Financial Position (2020-21: \$243.5 million).

The Council of The Queensland Institute of Medical Research

Financial Statements 2021-2022

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Statement of comprehensive income
For the year ended 30 June 2022

		2022	2021
	Notes	\$'000	\$'000
OPERATING RESULT			
Income from continuing operations			
Grants and other contributions	3	73,602	71,750
User charges and fees	4	55,140	36,745
Other revenue	5	15,757	22,972
Interest		506	356
Total Revenue		145,005	131,823
(Losses)/gains on disposal/revaluation of assets	6	(25,415)	19,247
Total income from continuing operations		119,590	151,070
Expenses from continuing operations			
Employee expenses	7	68,730	65,664
Supplies and services	8	32,643	30,257
Depreciation and amortisation	17,18	10,460	10,970
Other expenses	9	7,138	9,599
Impairment losses	15,33(b)	974	1,614
Finance costs		986	776
Total expenses from continuing operations		120,931	118,880
Operating result from continuing operations		(1,341)	32,190
Other comprehensive income			
<i>Items that will not be reclassified subsequently to operating result</i>			
Increase in asset revaluation surplus	23	41,245	-
Total other comprehensive income		41,245	-
Total comprehensive income		39,904	32,190

The accompanying notes form part of these financial statements.

Statement of financial position
As at 30 June 2022

		2022	2021
	Notes	\$'000	\$'000
Current assets			
Cash and cash equivalents	11	41,581	35,898
Receivables	12	8,833	8,029
Other financial assets	14	29,602	30,672
Inventories	13	925	1,041
Other current assets	15	1,145	1,104
Total current assets		82,086	76,744
Non-current assets			
Other financial assets	14	177,657	176,979
Property, plant and equipment	18	294,137	260,836
Intangible assets	17	296	179
Controlled and jointly controlled entities	33(b)	-	100
Other non-current assets	15	2,223	2,116
Total non-current assets		474,313	440,210
Total assets		556,399	516,954
Current liabilities			
Payables	19	17,384	11,492
Accrued employee benefits	20	7,896	7,360
Contract liabilities	21	46,146	54,968
Provisions	22	1,935	-
Total current liabilities		73,361	73,820
Total liabilities		73,361	73,820
Net assets		483,038	443,134
Equity			
Accumulated surplus		369,294	370,635
Asset revaluation surplus	23	113,744	72,499
Total equity		483,038	443,134

The accompanying notes form part of these financial statements.

**Statement of changes in equity
For the year ended 30 June 2022**

	Notes	Accumulated surplus	Asset revaluation surplus	Total
		\$'000	\$'000	\$'000
Balance as at 1 July 2021		370,635	72,499	443,134
Operating result from continuing operations		(1,341)	-	(1,341)
Increase in revaluation surplus	23	-	41,245	41,245
Balance as at 30 June 2022		369,294	113,744	483,038
Balance as at 1 July 2020		338,445	72,499	410,944
Operating result from continuing operations		32,190	-	32,190
Balance as at 30 June 2021		370,635	72,499	443,134

The accompanying notes form part of these financial statements.

Statement of cash flows
For the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
Cash flows from operating activities			
Inflows:			
Grants and other contributions		68,382	81,028
User charges and fees		60,499	35,569
Other income		1,681	10,073
Interest income		258	309
GST input tax credits from ATO		2,858	3,137
GST collected from customers		2,445	2,384
Outflows:			
Employee expenses		(67,892)	(68,032)
Supplies and services		(34,971)	(31,104)
Finance costs		(986)	(776)
GST paid to suppliers		(2,816)	(3,102)
GST remitted to ATO		(2,468)	(2,350)
Other		(2,411)	(1,952)
Net cash generated by operating activities	CF1	24,579	25,184
Cash flows from investing activities			
Inflows:			
Redemptions of other financial assets		-	7,600
Final proceeds from sale of subsidiary		-	5,500
Outflows:			
Investments in other financial assets		(15,898)	(18,108)
Acquisition of property, plant and equipment		(2,834)	(3,224)
Net cash used in investing activities		(18,732)	(8,232)
Cash flows from financing activities			
Inflows:			
Repayments from related entity		41	-
Outflows:			
Loans and advances made to related entity		(205)	(310)
Net cash used in financing activities		(164)	(310)
Net increase in cash and cash equivalents		5,683	16,642
Cash and cash equivalents at beginning of financial year		35,898	19,256
Cash and cash equivalents at end of financial year	11	41,581	35,898

The accompanying notes form part of these financial statements.

Notes to the statement of cash flows
For the year ended 30 June 2022

	2022	2021
	\$'000	\$'000
CF1 Reconciliation of operating result to net cash from operating activities		
Operating (deficit)/surplus	(1,341)	32,190
Depreciation and amortisation expense	10,460	10,970
Investment distributions in other financial assets	(11,350)	(16,854)
Loss on disposal of property, plant and equipment	5	18
Net loss/(gain) on market value of other financial assets	25,410	(19,257)
Impairment losses	974	1,614
Change in assets and liabilities:		
(Increase)/decrease in receivables	804	(113)
(Increase)/decrease in inventories	117	(342)
(Increase)/decrease in prepayments	(41)	(191)
Increase/(decrease) in payables and provisions	7,827	5,277
Increase/(decrease) in accrued employee benefits	536	1,001
Increase/(decrease) in contract liabilities	(8,822)	10,871
Net cash generated by operating activities	24,579	25,184

The accompanying notes form part of these financial statements.

Notes to the financial statements For the year ended 30 June 2022

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The Council of The Queensland Institute of Medical Research

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The Council of The Queensland Institute of Medical Research

Notes to the financial statements For the year ended 30 June 2022

ABOUT COUNCIL AND THIS FINANCIAL REPORT

1. Basis of financial statement preparation

General information

The Council of the Queensland Institute of Medical Research is a Queensland statutory body established under the *Queensland Institute of Medical Research Act 1945* and is controlled by the State of Queensland which is the ultimate parent. The Council trades as QIMR Berghofer Medical Research Institute.

The head office and principal place of business of the statutory body is:

300 Herston Road
Herston QLD 4006

For information in relation to the Council's financial statements please call +61 7 3362 0222, email enquiries@qimrberghofer.edu.au or visit the internet site www.qimrberghofer.edu.au.

Compliance with prescribed requirements

The Council has prepared these financial statements in compliance with the requirements of the *Financial and Performance Management Standard 2019 section 39*, *Financial Accountability Act 2009*, and the *Australian Charities and Not-for-profits Commission Act 2012*.

These financial statements are general purpose financial statements and have been prepared on an accrual basis, except for the statement of cash flows which is prepared on a cash basis in accordance with Australian Accounting Standards and Interpretations. In addition, the financial statements comply with Queensland Treasury's Minimum Reporting Requirements for periods beginning on or after 1 July 2021 and other authoritative pronouncements including the Australian Charities and Not-for-profits Commission (ACNC).

With respect to compliance with Australian Accounting Standards and Interpretations, the Council has applied those requirements applicable to not-for-profit entities as the Council is a not-for-profit statutory body.

No new accounting standards or interpretations apply to the Council for the first time nor have any been early adopted for 2021-22.

At the date of authorisation of the financial report, all Australian accounting standards and interpretations with future effective dates are either not applicable to the Council's activities or have no material impact on its activities.

The reporting entity

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of the Council and the entities it controls where these entities are material. Any controlled entities that are not considered as material are not consolidated with the Council's financial statements and the amount of the investment is recorded at cost.

Presentation details

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Notes to the financial statements

For the year ended 30 June 2022

1. Basis of financial statement preparation (cont'd)

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparatives

Comparative information reflects the audited 2020-21 financial statements, except for minor mapping changes made between expense notes 8 and 9.

Current/non-current classification

Assets and liabilities are classified as either 'current' or 'non-current' in the statement of financial position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the Council does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

Basis of measurement

Historical cost is used as the measurement basis in this financial report except where otherwise stated in the report.

Historical cost

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique. Fair value is determined using the following approaches:

- The market approach uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.
- The cost approach reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current replacement cost methodology.

Where fair value is used, the fair value approach is disclosed.

**Notes to the financial statements
For the year ended 30 June 2022**

1. Basis of financial statement preparation (cont'd)

Net realisable value

Net realisable value represents the amount of cash or cash equivalents that could currently be obtained by selling an asset in an orderly disposal.

Accounting estimates and judgements

Judgement has been exercised in considering the impacts that the COVID-19 pandemic has had, or may have, on the Council based on known information. This consideration extends to the recognition of receivables and payables, valuation of assets and impacts on investments. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Council unfavourably as at reporting date or subsequently as a result of the COVID-19 pandemic.

Refer to note 18 for key estimates and judgements around the valuation of buildings, including the use of an independent valuation.

Authorisation of financial statements for issue

The financial statements are authorised for issue by the Chair of Council, Director & Chief Executive Officer and Secretary at the date of signing the Management Certificate.

2. Objective and principal activities of the Council

The objective of the Council is to control and manage the operations of the Queensland Institute of Medical Research in accordance with the *Queensland Institute of Medical Research Act 1945*. The Council has been established to conduct research into all branches of medical science. It operates predominantly in one geographical area, being Queensland, Australia, although it has research collaborations across Australia and overseas.

The majority of the Council's funding is generated from competitive, peer-reviewed research grants, commercial and other earned revenue. The Council also receives an annual operational grant from the Department of Health, Queensland (Queensland Health). Further funding is generated from donations, fundraising and investment activities performed under the guidance of the Council. Refer note 29.

**Notes to the financial statements
For the year ended 30 June 2022**

NOTES ABOUT COUNCIL'S FINANCIAL PERFORMANCE

	2022	2021
	\$'000	\$'000
3. Grants and other contributions		
Revenue from contracts with customers		
Grants - National Health & Medical Research Council	21,821	21,795
Grants - Medical Research Future Fund	2,299	1,363
Grants - Queensland Health	2,733	1,306
Grants - Bill and Melinda Gates Foundation	1,322	1,358
Grants - Children's Hospital Foundation	881	776
Grants - National Breast Cancer Foundation	832	678
Grants - Snow Medical Research Fund	692	583
Grants - Cancer Council Queensland	374	544
Grants - US Department of Defence	199	183
Grants - Melanoma Research Alliance	140	396
Grants - Brisbane Diamantina Health Partners	85	-
Grants - Queensland Genomics Health Alliance	20	632
Grants - Australian Research Council	6	104
Grants - Other	4,663	4,925
Other grants and contributions		
Grants - Queensland Health (operating)	18,864	18,023
Grants - NHMRC infrastructure support funding (IRIIS)	3,866	4,959
Grants - Therapeutic Innovation Australia Limited	446	435
Grants - Queensland Government [^]	304	621
Capital Grants - Queensland Government	-	140
Grants - Other	-	105
Donations and bequests	14,055	12,824
Total	73,602	71,750

[^] funded by the State of Queensland acting through Queensland Health.

Accounting policy - Grants and other contributions

Grants, contributions and donations are non-exchange transactions where Council does not directly give approximately equal value to the grantor.

Where the grant agreement is enforceable and contains sufficiently specific performance obligations for the Council to transfer goods or services to a third party on the grantor's behalf, the transaction is accounted for under AASB 15 *Revenue from Contracts with Customers*. In this case, revenue is initially deferred (as a contract liability) and recognised as or when the performance obligations are satisfied. Otherwise, the grant is accounted for under AASB 1058 *Income of Not-for-Profit Entities*, whereby revenue is recognised upon receipt of the grant funding.

Notes to the financial statements

For the year ended 30 June 2022

3. Grants and other contributions (cont'd)

Accounting policy - Services received free of charge or for nominal value

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and an expense.

Disclosure – Revenue from contracts with customers

Grants - research grants, including NHMRC

The Council's obligation under competitive research grant funding agreements is to perform research activities in accordance with the grant proposal. Funding is received over the life of the grant, and revenue is recognised over time as the research activities are performed as measured by expenditure of the grant funds. The contract liability recognised at reporting date equates to the unspent balance.

Disclosure – Other grants and contributions

Grants - Queensland Health operating grant

The Council receives funding from the State Government via Queensland Health to contribute to overhead costs for the Institute and to support the Institute in achieving its strategic objectives. Funding is received in two instalments each year, the first in July and the second on passing of the Budget Appropriation Bill. Revenue is recognised as and when Council has a contractual right to receive the funds as there are no sufficiently specific performance obligations.

Grants - IRIISS infrastructure support grant

NHMRC provides annual funding to contribute to the infrastructure and overhead costs of funded research. Funding is received as a one-off payment annually. The revenue is recognised on receipt as there are no specific performance obligations.

Capital grants

The funding for capital grants was received as a reimbursement of costs previously expended. As such, the revenue is recognised on receipt.

Donations and bequests

Council receives donations and bequests that are either given for a specific purpose (where the researcher and disease is specified) or un-tied. In both cases, the revenue is recognised immediately on receipt as there is no enforceable contract.

	2022 \$'000	2021 \$'000
4. User charges and fees		
Revenue from contracts with customers		
Commercial and contract research	49,054	30,885
Rent / licence and establishment fees	5,660	5,477
User charges and fees		
Sundry tenants recoveries	426	383
Total	55,140	36,745

Accounting policy - Revenue from contracts with customers

Revenue from contracts with customers is recognised when the Council transfers control over a good or service provided to the customer.

Notes to the financial statements

For the year ended 30 June 2022

4. User charges and fees (cont'd)

Commercial and contract research

This collectively consists of three revenue streams:

Contract research

Research services are provided for specific time periods under each contract, and revenue is matched to those periods. Progress payments are generally invoiced in advance.

Commercialisation

Where a contract provides for a commercialisation payment on achievement of certain milestones, such as first dose in a clinical trial resulting from Council Intellectual Property (IP), revenue is recognised when Council has a contractual right to receive funds. Similarly, commercial arrangements whereby future royalty streams derived from license agreements are sold resulting in upfront payments, revenue is recognised when Council has a contractual right to receive such funds.

Contract manufacturing

Council undertakes commercial manufacturing services at the Q-Gen Cell Therapeutics facility. Contracts are structured with a fixed charge, invoiced in advance, and a variable component invoiced according to contract terms. Revenue for the fixed charge is recognised in the period to which it relates.

Rent and licence of premises fees

Council licences part of their buildings to tenants. Licence of premises fees are recognised periodically as per the contract terms.

Where licence fees are received upfront this is recognised over the life of the agreement.

Refer to notes 15 and 21 for disclosures about contract assets and liabilities outstanding at year end.

	2022 \$'000	2021 \$'000
5. Other revenue		
Investment distributions	11,350	16,854
JobKeeper subsidy	-	5,522
Employee Research Services funds surrendered	2,393	-
Reimbursements	622	393
Other	1,392	203
Total	15,757	22,972

Accounting policy - Interest, dividends and distributions

Revenue for interest on cash and cash equivalents is recognised on an accrual basis. Revenue for dividends and distributions from managed funds classified as financial instruments held at fair value through profit or loss are recognised when the Council's right to receive payment is established.

Accounting policy - JobKeeper subsidy

The JobKeeper payment scheme is a temporary subsidy received by Council as a result of the impact of coronavirus (COVID-19). Revenue is recognised on an accrual basis with payment being made in arrears from payroll fortnights commencing after 30 March 2020 and terminating in September 2020.

Notes to the financial statements
For the year ended 30 June 2022

5. Other revenue (cont'd)

Accounting policy - Employee Research Services funds surrendered

Funds held in Employee Research Services accounts (refer note 31) are held on behalf of researchers. Upon resignation or cessation of the account holder's appointment at the Institute, funds can be surrendered back to the Institute.

Accounting policy - Reimbursements

Reimbursement from third parties for commercial and/or collaboration arrangements are recognised as revenue when the revenue has been earned and can be measured reliably with a sufficient degree of certainty. This involves either invoicing for related goods/services and/or the recognition of accrued revenue.

Accounting policy - Imputation credits

As an endorsed income tax exempt charity, imputation credits attached to franked dividends received by the Council are refundable and may be claimed retrospectively after the end of the financial year (refer note 35). Imputation credits are brought to account when the right to receive the credits is established.

	2022	2021
	\$'000	\$'000
6. Gains/(losses) on disposal/revaluation of assets		
Net (loss)/gain on market value of other financial assets	(25,410)	19,257
Net gain on sale of subsidiary	-	8
Net loss on disposal of property, plant and equipment	(5)	(18)
Total	(25,415)	19,247

The Council holds financial assets in managed funds. Refer notes 14 and 25.

Accounting Policy – Gains/(losses) on revaluation of other financial assets

Gains/(losses) arising from changes in the fair value of managed funds are included in the operating result for the period in which they arise.

7. Employee expenses

Employee benefits

Wages and salaries	53,339	50,630
Employer superannuation contributions	8,100	8,148
Annual leave expense	5,389	5,073
Long service leave levy	1,452	1,382
Other employee benefits	347	293
	68,627	65,526

Employee-related expenses

Workers' compensation premium	69	69
Fringe benefits tax expense	12	39
Other employee related expenses	22	30
	103	138
Total	68,730	65,664

Notes to the financial statements
For the year ended 30 June 2022

7. Employee expenses (cont'd)

	2022	2021
	\$'000	\$'000
The number of employees including full-time, part-time and casual employees measured on a full-time equivalent basis at balance date is:	556	549

Employee benefits

Wages and salaries, employer superannuation contributions, annual leave expense and long service leave levies are regarded as employee benefits.

Accounting policy – Wages & salaries

Accruals for wages, salaries and annual leave expense due but unpaid at reporting dates are recognised at current salary rates. Annual leave entitlements are recognised at their undiscounted values and are classified as current liabilities as Council does not have the unconditional right to defer settlement for the next 12 months.

Accounting policy – Sick leave

As sick leave is non-vesting, an expense is recognised for this leave as it is taken. Prior history indicates that on average, sick leave taken each reporting period is less than the existing accumulated entitlements and thus no liability for unused sick leave entitlements is recognised. This is expected to continue in future periods.

Accounting policy - Long service leave

Under the Queensland Government's long service leave scheme, a levy is made on the statutory body to cover the cost of employees' long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for long service leave are claimed from the scheme quarterly in arrears.

Accounting policy – Superannuation

Employer superannuation contributions are paid to eligible complying superannuation funds based on the rates specified under the Enterprise Agreement and Council's Superannuation Policy. Contributions are expensed in the period in which they are payable. The Council's obligation are limited to those contributions paid. The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Accounting policy – Workers' compensation premiums

The Council pays premiums to WorkCover Queensland and inter-state QBE in respect of its obligations for employee compensation. Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. It is not an employee benefit and is recognised separately as employee-related expenses.

Notes to the financial statements
For the year ended 30 June 2022

8. Supplies and services

	2022	2021
	\$'000	\$'000
Supplies and consumables	14,634	12,790
Scientific collaborations	5,207	6,476
Consultants and contractors	5,614	3,951
Service contracts	3,483	3,366
Utilities	2,108	2,098
Minor equipment and software purchases	1,130	1,286
Travel	403	213
Operating lease rentals	64	63
Other	-	14
Total	32,643	30,257

Accounting policy - Scientific collaboration distributions

Council has a number of research collaboration agreements in place with various granting bodies and universities. Distributions are made in terms of these collaboration agreements and are recognised as an expense in the period in which they are incurred.

Accounting policy – Lease expense

Lease expenses include lease rentals for short-term leases, leases of low value assets and variable lease payments. Refer to note 16 for a breakdown of lease expenses and other lease disclosures.

9. Other expenses

Commercial and contract research distributions	2,575	8,226
Insurance	739	661
Legal expenses	1,104	629
Audit & other fees - internal	69	102
Audit fees - external *	74	72
Net gain on foreign exchange transactions	(18)	(91)
Grant and donation refunds	2,634	-
Other	(39)	-
Total	7,138	9,599

* Total external audit fees to be paid to the Queensland Audit Office relating to the 2021-22 financial year are \$73,500 (2021: \$72,000). There are no non-audit services included in this amount.

Accounting policy - Commercial and contract research distributions

The Council has a number of commercial and licence arrangements in place. Under the Council's contract research policy, distributions to researchers may be made to Employee Research Services accounts (refer note 31) from the proceeds of industry-sponsored contracts. These distributions are recognised as an expense at the time of invoicing under the contract. Additionally, under the Council's intellectual property policy, distributions to inventors or contributors are recognised as an expense at the time of milestone invoicing under these contractual arrangements. Payments to inventors or contributors may be made in the subsequent financial year following their recognition.

Notes to the financial statements
For the year ended 30 June 2022

9. Other expenses (cont'd)

Accounting policy - Insurance

The Council's non-current physical assets and other risks are insured through the Queensland Government Insurance Fund (QGIF), premiums being paid on a risk assessment basis. In addition, the Council has policies with private insurance companies to cover risks not included by QGIF.

Accounting policy - Grant and donation refunds

The Council's obligation under competitive research grant funding agreements is to perform research activities in accordance with the grant proposal. Council also receives donations and bequests that are either given for a specific purpose (where the researcher and disease is specified) or un-tied. Where Council cannot meet the obligations under any funding agreement or the specific purpose for which a donation is made in such circumstances a refund will be made back to the grantor / donor.

10. Impairment losses

	2022	2021
	\$'000	\$'000
Trade receivables	816	-
Loans to subsidiaries	58	1214
Equity investment – at cost	100	400
Total	974	1,614

Impairment losses may arise on assets held by the Council from time to time. Accounting for impairment losses is dependent upon the individual asset (or group of assets) subject to impairment. Accounting policies and events giving rise to impairment losses are disclosed in the following notes:

Trade receivables – note 12

Loans to subsidiaries – note 15

Controlled entities – note 33(b)

**Notes to the financial statements
For the year ended 30 June 2022**

NOTES ABOUT COUNCIL'S FINANCIAL POSITION

	2022	2021
	\$'000	\$'000
11. Cash and cash equivalents		
Term deposits	22,883	24,224
Cash at bank and on call	25,669	21,128
Employee Research Services (ERS)	(6,971)	(9,455)
Imprest accounts	-	1
Total	41,581	35,898

The Council's term deposits consist entirely of unspent research grant funds (contract liabilities), refer note 21. For Employee Research Services (ERS) funds held in cash and cash equivalents, refer to note 31.

Accounting policy - Cash and cash equivalents

For the purposes of the statement of financial position and the statement of cash flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits at call with financial institutions.

12. Receivables

Trade receivables	7,202	7,034
Less: Loss allowance	(884)	-
	<u>6,318</u>	<u>7,034</u>
Long service leave reimbursements	246	178
Accrued interest	71	24
GST receivable	32	75
Other receivables	2,166	718
Total	8,833	8,029

Accounting policy - Receivables

Receivables are measured at amortised cost, which approximates their fair value at the reporting date. Trade debtors are recognised at the amounts due at the time of sale or service delivery, i.e. the agreed purchase/contract price. Settlement of these amounts is required within 30 days of the invoice date.

Other debtors generally arise from transactions outside the usual operating activities of the Council and are recognised at their assessed values. Terms are a maximum of 30 days, no interest is charged and no security is obtained.

Disclosure – Receivables

The closing balance of receivables arising from contracts with customers at 30 June 2022 is \$5.3m (30 June 2021: \$5.9m).

Disclosure - Credit risk exposure of receivables

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets. No collateral is held as security and no credit enhancements relate to receivables held by the Council.

Notes to the financial statements
For the year ended 30 June 2022

12. Receivables (cont'd)

Impairment of receivables

Following a review of Council trade and other debtors over the past 10 years where there has been an immaterial quantum of bad debts, and a review of current debtors, a loss allowance has been provided for in 2021-22.

Accounting policy – Impairment of receivables

Where Council has no reasonable expectation of recovering an amount owed by a debtor, the debt would be written off by directly reducing the receivable against the loss allowance. This occurs when the debt is over 120 days past due and Council has ceased enforcement activity. If the amount of debt written off exceeds the loss allowance, the excess would be recognised as an impairment loss.

	2022	2021
	\$'000	\$'000
13. Inventories		
Supplies and consumables – at cost	925	1,041
Total	925	1,041

Accounting policy - Inventories

Inventories are represented by consumable laboratory supplies valued at the lower of cost and net realisable value.

Cost is assigned on a weighted average basis and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition.

Net realisable value is determined by estimating the selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. No inventory assets have been classified as inventories held for distribution.

All inventories on hand at 30 June are expected to be utilised within 12 months.

14. Other financial assets

Current

Managed fund investments		
Budgeted drawdowns	21,000	19,500
Grant funds	8,602	11,172
Total	29,602	30,672

Non current

Managed fund investments	177,657	176,979
Total	177,657	176,979

Notes to the financial statements
For the year ended 30 June 2022

14. Other financial assets (cont'd)

Accounting policy - Other financial assets

Other financial assets held at fair value through profit or loss represent investments in managed funds. The investments are stated at current market value at the reporting date. Changes in the market value of these instruments, whether realised or unrealised, are recognised in the statement of comprehensive income. These investments were originally classified at fair value through profit or loss upon initial recognition and the Council manages these investments and makes purchases and sales decisions based on their fair value in accordance with the Council's documented investment strategy. All managed fund investments are categorised as level 1 investments in accordance with the fair value hierarchy, which reflects the unadjusted quoted market price. Refer to note 25 for liquidity risk management. The current portion of managed funds is made up of unspent grant funds invested (refer note 21) plus drawdowns approved by Council in the 2022-23 budget which can be used for operational cash requirements.

	2022	2021
	\$'000	\$'000
15. Other assets		
Current assets		
Lease receivable - current portion	150	150
Other	995	954
Total	1,145	1,104
Non-current assets		
Loans to subsidiaries (refer note 34)	2,657	2,342
Less: impairment loss (refer note 33(b))	(1,272)	(1,214)
Lease receivable	838	988
Total	2,223	2,116

Accounting Policy – Other assets

Other assets generally arise from transactions outside the usual operating activities of the Council and are recognised at their contract values.

Disclosures – lease receivable

A one-year rental holiday granted at the start of a 10-year licence agreement is being amortised over the period of this agreement.

Disclosures – loans to subsidiaries

Council has entered a loan agreement on 9 March 2020 with subsidiary Endpoint IQ Pty Ltd to advance funds of up to \$1.0m (excluding interest), at an interest rate of 8% p.a. Council has agreed to capitalise the interest. The initial loan term is 3 years, with an option to extend for a further 3 years at Council's discretion. Council has entered a second loan agreement on 17 August 2022 to advance funds of up to \$0.5m (excluding interest), at an interest rate of 8% p.a. Council has agreed to capitalise the interest. The loan term is 3 years, unless extended at sole discretion of Council. Refer note 33(d). The combined balances of the loans at 30 June 2022 is \$1.384m (including capitalised interest).

Council has entered a loan agreement on 7 December 2020 with subsidiary genomiQa Pty Ltd to advance funds of up to \$1.22m (excluding interest), at an interest rate of 8% p.a. The loan has a 6 year term. The balance of the loan at 30 June 2022 is \$1.272m (including capitalised interest). Council has assessed the full loan balance as impaired at 30 June 2022. Refer note 10 and note 33(b).

Notes to the financial statements

For the year ended 30 June 2022

16. Leases

Leases as Lessee

Accounting policy – leases as lessee

The Council measures right-of-use assets from concessionary leases at cost on initial recognition, and measures all right-of-use assets at cost subsequent to initial recognition.

The Council has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets. The lease payments are recognised as expenses on a straight-line basis over the lease term. An asset is considered low value where it is expected to cost less than \$10,000 when new.

Disclosures – leases as lessee

(i) Details of leasing arrangements as lessee

Concessionary land lease

The Council's buildings are built on land owned by Metro North Hospital & Health Services (MNHHS). It is anticipated that Council will enter into a peppercorn lease for land occupied by the three buildings, for a 40-year term, with MNHHS in the reporting period ending 30 June 2023. Leases currently in place for the land occupied by Bancroft and CBCRC buildings (refer to note 18) are to be terminated at this time.

As the lease to be entered with MNHHS is a peppercorn lease there will be no recognition of the lease liability on the statement of financial position as Council has applied the temporary option for not-for-profit entities to elect to measure right-of-use assets arising under concessionary leases.

	2022 \$'000	2021 \$'000
<i>(ii) Amounts recognised in profit or loss</i>		
Operating lease rentals included in note 8:		
- expenses relating to short-term leases and low-value assets	9	9
- expenses relating to low-value assets	55	53
<i>(iii) Total cash outflow for leases</i>	64	63

Lease expenses have renewal options; however, no leases have escalation clauses other than in the event of payment default. No lease arrangements create restrictions on other financing transactions.

Leases as lessor

Accounting policy – Leases as lessor

Council recognises lease payments from operating leases as income on a straight-line basis over the lease term.

Disclosure - Leases as lessor

(i) Details of leasing arrangements as lessor

Sublease of research facility

Lease receivables comprises two separate licences of premises, each with a lease term of 10 years from commencement date (1 January 2016 and 1 February 2019). These amounts do not include lease fees which may become receivable

Notes to the financial statements
For the year ended 30 June 2022

16. Leases (cont'd)

under the lease on the basis of registered associates on the premises in excess of stipulated minimums and do not include any recovery of expenses such as scientific services, electricity and water costs.

The sublease agreements include make-good clauses that requires the lessees to restore the facilities to a satisfactory condition at the end of the lease term. No amounts were recognised in respect of variable lease payments other than CPI-based or market rent reviews. Council does not have any finance leases.

(ii) Maturity analysis

The following table sets out a maturity analysis of future undiscounted lease receivable for licences of the premises under the Council's operating leases:

	2022	2021
	\$'000	\$'000
Receivable:		
Less than 1 year	4,505	4,547
1 to 2 years	3,572	4,285
2 to 3 years	3,572	3,572
3 to 4 years	2,573	3,572
4 to 5 years	1,574	2,573
More than 5 years	2,816	4,389
Total	18,612	22,938

17. Intangible assets

Software: At cost

Gross	621	474
Less: Accumulated amortisation	(325)	(295)
	296	179

Total	296	179
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Accounting policy - Recognition and measurement of intangibles

Intangible assets with a cost or other acquisition value equal to or greater than \$100,000 are recognised in the statement of financial position; items with a lesser value are expensed.

It has been determined that there is not an active market for any of the Council's intangible assets. As such, the assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses.

No intangible assets have been classified as held for sale or form part of a disposal group held for sale.

Key Judgement: Council also controls a number of software assets that are not recognised as assets because they fail to meet the AASB 138 recognition criteria.

Notes to the financial statements

For the year ended 30 June 2022

17. Intangible assets (cont'd)

Accounting policy - Amortisation expense

All intangible assets of the Council have finite useful lives and are amortised on a straight line basis over their estimated useful life to the Council. Straight line amortisation is used reflecting the expected consumption of economic benefits on a progressive basis over the intangible's useful life. The residual value of all Council's intangible assets is zero.

Useful life

Key estimate: For each class of intangible asset the following amortisation rates are used:

Intangible Asset	Useful life
Purchased software	10 years
Internally generated software	10 years

Accounting policy – Impairment

All intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Intangible assets are principally assessed for impairment by reference to the actual and expected continuing use of the asset by the Council, including discontinuing the use of software. The recoverable amount is determined as the higher of the asset's fair value less costs to sell and its value-in-use.

Intangible assets– balances and reconciliations of carrying amount

Intangibles reconciliation of carrying amount	Software internally generated	Software purchased	Software work in progress	Total
	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2021	179	-	-	179
Acquisitions	-	147	-	147
Disposals	-	-	-	-
Transfers between classes	-	-	-	-
Amortisation	(30)	-	-	(30)
Carrying amount at 30 June 2022	149	147	-	296

	Software internally generated	Software purchased	Software work in progress	Total
	2021	2021	2021	2021
	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2020	209	-	-	209
Acquisitions	-	-	-	-
Disposals	-	-	-	-
Transfers between classes	-	-	-	-
Amortisation	(30)	-	-	(30)
Carrying amount at 30 June 2021	179	-	-	179

Notes to the financial statements
For the year ended 30 June 2022

	2022 \$'000	2021 \$'000
18. Property, plant and equipment		
Buildings: At fair value		
Gross	433,688	345,808
Less: Accumulated depreciation	(150,887)	(98,584)
	282,801	247,224
Plant & equipment: At cost		
Gross	65,468	64,069
Less: Accumulated depreciation	(54,274)	(50,917)
	11,194	13,152
Work in progress: At cost *	142	460
	142	460
Total	294,137	260,836

* Work in progress includes various building improvement and renewal projects, which were ongoing as at 30 June.

Property plant and equipment – balances and reconciliations of carrying amount (including fair value level).

	Buildings (Research Facilities) Level 3	Plant & equipment	Work in progress	Total
	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000
Carrying amount at 1 July 2021	247,224	13,152	460	260,836
Acquisitions	-	2,050	441	2,491
Disposals	-	(5)	-	(5)
Transfers between classes	738	21	(759)	-
Revaluation increments	41,245	-	-	41,245
Depreciation	(6,406)	(4,024)	-	(10,430)
Carrying amount at 30 June 2022	282,801	11,194	142	294,137

Notes to the financial statements
For the year ended 30 June 2022

18. Property, plant and equipment (cont'd)

	Buildings (Research Facilities) Level 3	Plant & equipment	Work in progress	Total
	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000
Carrying amount at 1 July 2020	253,013	15,520	-	268,533
Acquisitions	-	2,143	1,118	3,261
Disposals	-	(18)	-	(18)
Transfers between classes	606	52	(658)	-
Revaluation increments	-	-	-	-
Depreciation	(6,395)	(4,545)	-	(10,940)
Carrying amount at 30 June 2021	247,224	13,152	460	260,836

Accounting policy – Recognition

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Class	Threshold
Buildings	\$10,000
Plant and equipment	\$5,000

Items with a lesser value are expensed in the year of acquisition.

Expenditure on property, plant and equipment is only capitalised if it increases the service potential or useful life of the existing asset. Maintenance expenditure that merely restores original service potential (arising from ordinary wear and tear) is expensed.

The Council occupies three buildings situated on Crown land reserved and set apart for hospital purposes. The land is under the control of Metro North Hospital & Health Service (MNHHS) on behalf of The State of Queensland.

As the buildings are controlled by the Council, these assets are recognised in its financial statements, not in the financial statements of Queensland Health. Any revaluation surpluses or decrements associated with these assets are recognised by the Council.

Leases for the land on which the buildings known as the Bancroft Centre and the Clive Berghofer Cancer Research Centre exist between the Council and The State of Queensland (represented by Queensland Health) at a nominal rental, terminating on 27 June 2066. A new lease for the land occupied by all three buildings is expected to be entered into in 2022/23 between Council and MNHHS at nominal rental. Upon commencement of the new lease, the existing leases will be surrendered. Refer to note 34.

Notes to the financial statements For the year ended 30 June 2022

18. Property, plant and equipment (cont'd)

Componentisation of complex assets

Complex assets comprise separately identifiable components (or groups of components) of significant value, that require replacement at regular intervals and at different times to other components comprising the complex asset.

On initial recognition, the asset recognition thresholds outlined above apply to the complex asset as a single item. Where the complex asset qualifies for recognition, components are then separately recorded when their value is significant relative to the total cost of the complex asset. Components whose value exceeds 10% of the complex asset's total cost are separately identified as significant value components. Components valued at less than 10% of the complex asset's total cost are separately recorded only where a material difference in depreciation expense would occur.

When a separately identifiable component (or group of components) of significant value is replaced, the existing component(s) is derecognised. The replacement component(s) is capitalised when it is probable that future economic benefits from the significant component will flow to Council in conjunction with the other components comprising the complex asset and the cost exceeds the asset recognition thresholds specified above. Replacement components that do not meet the asset recognition thresholds for capitalisation are expensed.

Components are valued on the same basis as the asset class to which they relate.

The Council's complex asset is its special purpose research facility buildings.

Accounting policy – Cost of acquisition

Historical cost is used for the initial recording of all non-current physical asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition and those incurred in getting the assets ready for use.

Where assets are received free of charge from another Queensland Government entity, the acquisition cost is recognised as the gross carrying amount in the books of the transferor immediately prior to the transfer together with any accumulated depreciation.

Assets acquired at no cost or for nominal consideration, other than from another Queensland Government entity, are recognised at their fair value at the date of acquisition.

Accounting policy – Measurement using historical cost

Plant and equipment is measured at cost in accordance with Queensland Treasury *Non-Current Asset Policies*. The carrying amounts for plant and equipment at cost does not materially differ from their fair value.

Accounting policy – Measurement using fair value

Buildings are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment*, AASB 13 *Fair Value Measurement* and Queensland Treasury *Non-Current Asset Policies* for the Queensland Public Sector. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less accumulated depreciation and impairment losses where applicable. In respect of these asset classes, the cost of items acquired during the financial year has been judged by Council to materially represent their fair value at the end of the reporting period.

Notes to the financial statements For the year ended 30 June 2022

18. Property, plant and equipment (cont'd)

Buildings measured at fair value are revalued on an annual basis either by appraisals undertaken by an independent professional valuer, or by the use of appropriate and relevant indices, where the movement in fair value is material.

Use of independent valuation

Revaluations using an independent professional valuer are undertaken at least once every five years, the most recent being as at 30 June 2022 by the firm Jacobs.

Key judgement – The valuation approach used is Current Replacement Cost, as there is no active market for specialised research facilities.

Key estimates - The fair values reported by the Council are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs. The basis of the valuation is on a cost approach, which involves estimating the amount that would currently be required to replace the service capacity of an asset. This is a level 3 categorisation, as referenced in note 24. The replacement cost is the total construction cost (including design fees and typical levels of contingency) if the asset was replaced on the valuation date with a modern day equivalent applying the 'highest and best use' principles.

For the valuation as at 30 June 2022, the Council elected to recognise the three buildings as a complex asset and has resolved to adopt the fair values determined by the valuers for the significant identifiable components identified below in this note.

Use of Indices

Where buildings have not been independently valued in the reporting period, their previous valuations are materially kept up to date via the application of relevant indices, ensuring the resulting value is a valid estimation of the buildings' fair values at reporting the date.

Accounting for changes in Fair Value

Any increment arising on the revaluation of buildings is credited to the asset revaluation surplus, except to the extent it reverses a revaluation decrement previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense to the extent it exceeds the balance, if any, in the revaluation surplus.

Accounting policy – Depreciation of property, plant and equipment

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to the Council, consistent with the even consumption of service potential.

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity. Service delivery capacity relates to when construction is complete and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are then reclassified to the relevant classes within property, plant and equipment.

Separately identifiable components of complex assets are depreciated according to the useful lives of each component, as doing so results in a material impact on the depreciation expense reported. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the Council.

Notes to the financial statements

For the year ended 30 June 2022

18. Property, plant and equipment (cont'd)

For the Council's depreciable assets, the estimated amount to be received on disposal at the end of their useful life (residual value) is determined to be zero.

Useful life

Key estimate: For each class of depreciable assets the following useful lives are used (including significant identifiable components):

Property, Plant and Equipment Asset	Useful life
Buildings – Special purpose research facilities:	
- Structure	45-80 years
- Façade	20-66 years
- Fitout	25-45 years
- Hydraulics	40-57 years
- Air conditioning	30-36 years
- Fire protection	26-36 years
- Electrical and communications	30-36 years
- Lifts	20-36 years
Plant and equipment	3-20 years

Accounting policy – Impairment of non-current assets

All non-current physical assets are assessed for indicators of impairment on an annual basis, or, where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed.

Where indicators of a material change in fair value or service potential since the last valuation arise, the asset is revalued at the reporting date under AASB 13 *Fair Value Measurement*. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount under AASB 136 *Impairment of Assets*. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

	2022	2021
	\$'000	\$'000
19. Payables		
Accrued Inventor payments	10,717	5,963
Trade creditors	2,800	2,529
Accrued expenses	2,933	2,301
Accrued wages	-	319
Other	934	380
Total	17,384	11,492

Accounting Policy – Accrued inventor payments

Where Council receives income from the commercialisation of research outcomes, a portion of 'net commercialisation income' is payable under policy to the inventor scientists. Amounts are payable in the year following receipt of income and subject to Remuneration Committee review and Council approval. Where distributions of commercialisation proceeds to inventors exceeds \$10m for the year, approval from the Governor in Council is also be required.

Notes to the financial statements

For the year ended 30 June 2022

19. Payables (cont'd)

Accounting Policy – Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase/contract price, gross of applicable trade and other discounts. Standard payment terms are end of month following month of invoice. Amounts owing are unsecured.

	2022 \$'000	2021 \$'000
20. Accrued employee benefits		
Current		
Annual leave entitlements payable	6,430	5,993
Long service leave levy payable	411	354
Other	1,055	1,013
Total	7,896	7,360

Accounting policy – Accrued employee benefits

For relevant accounting policies pertaining to accrued employee benefits refer to note 7.

21. Contract liabilities

	Balance b/f 1 July 2021 \$'000	Funds received \$'000	Funds recognised as revenue \$'000	Adjustment \$'000	Balance c/f 30 June 2022 \$'000
Granting bodies	35,397	33,660	(37,572)	-	31,485
Commercial partners	16,956	5,669	(4,154)	(5,874)	12,597
Other licence/rental fees	365	5,609	(5,660)	-	314
Queensland University of Technology	2,250	-	(500)	-	1,750
Total	54,968	44,938	(47,886)	(5,874)	46,146

	Balance b/f 1 July 2020 \$'000	Funds received \$'000	Funds recognised as revenue \$'000	Adjustment \$'000	Balance c/f 30 June 2021 \$'000
Granting bodies	24,778	46,025	(35,406)	-	35,397
Commercial partners	16,373	3,617	(3,034)	-	16,956
Other licence/rental fees	195	5,147	(4,977)	-	365
Queensland University of Technology	2,750	-	(500)	-	2,250
Total	44,096	54,789	(43,917)	-	54,968

Unspent grant funds of \$22.88m (2021: \$24.22m) are held in term deposits (refer to note 11) and \$8.60m (2021: \$11.17m) in other financial assets (refer note 14). Where the grantors funding rules require unspent funds to be held in a bank account, those funds are in term deposits.

Notes to the financial statements

For the year ended 30 June 2022

21. Contract liabilities (cont'd)

Accounting policy – Contract liabilities

Where grants and commercial contract proceeds are received with sufficiently specific performance obligations, a contract liability is recognised and revenue is recognised as those performance obligations are met. Where a balance remains on a contract liability with a commercial partner on completion of contracted work, that balance may be transferred to the lead researcher's Employee Research Services account (refer note 31). Where the lead researcher is no longer employed by Council, unspent funds are released from contract liabilities via an adjustment (2021-22: \$5.9m).

Disclosure – Contract liabilities

All contract liabilities arise from contracts with customers.

	2022 \$'000	2021 \$'000
22. Provisions		
Current		
Grant refunds	1,935	-
Total	1,935	-

Accounting policy – Provisions

Provisions are recorded when Council has a present obligation, either legal or constructive as a result of a past event. They are recognised at the amount expected at reporting date for which the obligation will be settled in the next 12 months. The amounts recognised as provisions are in relation to a number of finalised grants which are expected to be refunded back to the appropriate funding body within the financial year 2022-23.

23. Asset revaluation surplus by class

	Buildings \$'000	Total \$'000
Balance as at 1 July 2021	72,499	72,499
Revaluation increments/(decrements)	41,245	41,245
Balance as at 30 June 2022	113,744	113,744

	Buildings \$'000	Total \$'000
Balance as at 1 July 2020	72,499	72,499
Revaluation increments/(decrements)	-	-
Balance as at 30 June 2021	72,499	72,499

Accounting policy - Asset revaluation surplus

The asset revaluation surplus represents the net effect of upwards and downwards revaluations of assets to fair value.

Notes to the financial statements For the year ended 30 June 2022

NOTES ABOUT RISKS AND OTHER ACCOUNTING UNCERTAINTIES

24. Fair value measurement

Accounting policy – Inputs for fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by the Council include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the Council's assets/liabilities, internal records of recent construction costs (and/or estimates of such costs) for assets' characteristics/functionality, and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value measurement hierarchy

All assets of the Council for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

Level 1 represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets;

Level 2 represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and

Level 3 represents fair value measurements that are substantially derived from unobservable inputs.

There were no transfers of assets between fair value hierarchy levels during the current or prior years.

Basis for fair values of assets

For details of the basis for fair value measurement of buildings (refer to note 18) and financial assets (refer to note 14) held by QIMR Berghofer.

Notes to the financial statements
For the year ended 30 June 2022

25. Financial risk disclosures

(a) Financial instrument categories

Accounting policy – Financial instruments

Recognition

Financial assets and financial liabilities are recognised in the statement of financial position when Council becomes party to the contractual provisions of the financial instrument.

The Council has the following categories of financial assets and financial liabilities:

	Notes	2022 \$'000	2021 \$'000
Financial assets			
Financial assets held at fair value through profit or loss:			
Cash and cash equivalents	11	41,581	35,898
Other financial assets	14	207,260	207,651
Financial assets held at amortised cost:			
Receivables	12	8,833	8,029
Other assets - current	15	1,145	1,104
Other assets - non-current (discounted)	15	2,223	2,116
		261,042	254,798
Financial liabilities (payable within one year)			
Financial liabilities measured at amortised cost:			
Payables	19	17,384	11,492
		17,384	11,492

No financial assets and financial liabilities have been offset and presented net in the statement of financial position.

The Council does not enter into transactions for speculative purposes, or for hedging.

(b) Financial risk management

Risk exposure

Financial risk management is implemented pursuant to Queensland Government and Council policy. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the Council.

All financial risk is managed by the Institute under policies approved by the Council. The Council provides written principles for overall risk management, as well as policies covering specific areas.

Council's activities expose it to a variety of financial risks as set out in the following table:

Notes to the financial statements
For the year ended 30 June 2022

25. Financial risk disclosures (cont'd)

Risk Exposure	Definition	Exposure
Credit risk	The risk that the Council may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.	The Council is exposed to credit risk in respect of its receivables (note 12) and other non-current assets (note 15).
Liquidity risk	The risk that the Council may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	The Council is exposed to liquidity risk in respect of its payables (note 19).
Market risk	<p>The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.</p> <p>Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.</p>	<p>The Council is exposed to market risk on its managed funds (note 14).</p> <p>The Council is exposed to currency risk in respect of its commercial contracts entered into denominated in US dollars.</p> <p>The Council is exposed to interest-rate risk through its cash deposited in interest bearing accounts (note 11).</p>

Risk measurement and management strategies

Council measures risk exposure using a variety of methods as follows:

Risk Exposure	Measurement Method	Risk Management Strategies
Credit risk	Ageing analysis, earnings at risk	The Council manages credit risk through the use of a credit management strategy. This strategy aims to reduce the exposure to credit default by ensuring that the Council invests in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.
Market risk	Interest rate sensitivity analysis	<p>The Council does not undertake any hedging in relation to:</p> <ul style="list-style-type: none"> -interest risk – risk is managed as per the Council's liquidity risk management strategy articulated in the Council's policies; and -foreign currency risk - managed through conservative exchange rate estimates when pricing commercial contracts. <p>The Council places managed funds with three separate fund managers. The Investment Committee (a committee of Council) oversees the performance of these funds.</p>

Notes to the financial statements

For the year ended 30 June 2022

25. Financial risk disclosures (cont'd)

Risk Exposure	Measurement Method	Risk Management Strategies
Liquidity risk	Sensitivity analysis	<p>The Council manages liquidity risk through the use of a liquidity management strategy. This strategy aims to reduce the exposure to liquidity risk by ensuring the Council has sufficient funds available to meet employee and supplier obligations as they fall due.</p> <p>This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities.</p> <p>Managed funds held under 'Other Financial Assets' represent investments that are the Institutes' long term endowment type funds, as well as funds invested in excess of short-term operational requirements. These funds can, if required, be redeemed by Council within a relatively short period of time to meet operational cash requirements (note 14).</p>

Credit risk disclosures

Credit risk management practice

The Council considers financial assets that are over 30 days past due to have significantly increased credit risk, and measures the loss allowance of such assets at lifetime expected credit losses instead of 12-month expected credit losses. The exception is trade receivables (refer to note 12), for which the loss allowance is always measured at lifetime expected credit losses.

The Council typically considers a financial asset to be in default when it becomes 90 days past due. However, a financial asset can be in default before this point if information indicates that the Council is unlikely to receive the outstanding amounts in full. The Council assessment of default does not take into account any collateral or other credit enhancements.

The Council write-off policy is disclosed in note 12.

26. Contingencies

(a) Contingent assets

Contributions to Queensland Community Foundation

The QIMR Trust established a fund with the Queensland Community Foundation (QCF) for the purpose of generating future income and donations. This fund was transferred to Council upon abolition of the QIMR Trust on 1 February 2011. All contributions made to this named fund within QCF are held in a charitable trust (with The Public Trustee of Queensland as Trustee) and invested in perpetuity with net income distributed to the Council at the discretion of the Trustee in accordance with the Queensland Community Fund Declaration of Trust. Council may, from time to time, become eligible to receive a distribution from the Foundation, but does not have a proprietary or legal interest in the Foundation nor does the Foundation hold property for Council's benefit. Based on previous distributions, Council expects any future income from the Fund to be immaterial.

Notes to the financial statements

For the year ended 30 June 2022

26. Contingencies (cont'd)

(b) Contingent liabilities

Following an assessment as to eligibility, Council applied for the JobKeeper Scheme from the Federal Government in response to the COVID-19 pandemic, was accepted and recognised to 30 June 2021 \$5.5m. As the eligibility criteria involved a self-assessment, there is a risk that the Australian Taxation Office (ATO) will determine the Council is not eligible and may require repayment of the funds. The JobKeeper payment scheme finished on 28 March 2021. A contingent liability is recognised on that basis.

Letters of Comfort have been issued to each of genomiQa Pty Ltd (refer to note 33(b)) and Endpoint IQ Pty Ltd (refer to note 33(d)). Council has entered loan agreements with both entities and has advanced funds under those agreements (refer notes 15 and 34). This includes funds advanced to Endpoint IQ under a second loan agreement after the Letter of Comfort was called upon. The combined negative equity position of both entities at 30 June 2022, excluding the loan balances, is \$0.235m representing the current financial exposure of Council in these entities.

	2022 \$'000	2021 \$'000
27. Commitments		
(a) Capital expenditure commitments		
Building works	268	338
Other capital commitments	478	208
	746	546
Payable:		
Not later than one year	746	546
Total	746	546

28. Events occurring after balance date

There are no other events occurring after balance date that will have a material impact on the figures reported in these financial statements.

29. Economic dependency

The Council's activities are predominantly funded by grants received from a range of funding agencies, the majority of which are Commonwealth and State Government bodies. The ability of the Council to source sufficient grant funding is dependent upon those entities continuing to have the ability to fund research activities and for the Institute to be successful in its funding applications. At balance date, Council had no indication that operational and research funding would not be provided as per the funding agreements. Should unforeseen fluctuations in the amount of available grant funding occur, the Council would use its cash assets (refer to note 11) and managed fund investments (refer to note 14) to cover short-term operational cash requirements.

Notes to the financial statements
For the year ended 30 June 2022

NOTES ON COUNCIL'S PERFORMANCE COMPARED TO BUDGET

30. Budgetary reporting disclosures

Budget to actual comparison - Statement of comprehensive income

		Actual	Original	Budget
		2022	Budget	Variance
	Notes	\$'000	2022	2022
		\$'000	\$'000	\$'000
Income from continuing operations				
Grants and other contributions		73,602	76,683	(3,081)
User charges and fees	a	55,140	27,080	28,060
Other revenue	b	15,757	8,436	7,321
Interest		506	306	200
Total Revenue		145,005	112,505	32,500
(Loss)/gains on disposal/revaluation of assets	c	(25,415)	5,835	(31,250)
Total income from continuing operations		119,590	118,340	1,250
Expenses from continuing operations				
Employee expenses		68,730	66,648	(2,082)
Supplies and services	d	32,643	35,709	3,066
Depreciation and amortisation		10,460	11,037	577
Other expenses	e	7,138	4,096	(3,042)
Impairment losses		974	-	(974)
Finance costs		986	850	(136)
Total expenses from continuing operations		120,931	118,340	(2,591)
Operating result from continuing operations		(1,341)	-	(1,341)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to operating result</i>				
Increase in asset revaluation surplus	f	41,245	-	41,245
Total other comprehensive income		41,245	-	41,245
Total comprehensive income		39,904	-	39,904

Notes to the financial statements

For the year ended 30 June 2022

30. Budgetary reporting disclosures (cont'd)

Budget to actual comparison - Statement of financial position

		Actual	Original	Budget
		2022	Budget	Variance
		2022	2022	2022
	Notes	\$'000	\$'000	\$'000
Current assets				
Cash and cash equivalents	g	41,581	9,511	32,070
Receivables	h	8,833	4,044	4,789
Other financial assets	i	29,602	24,000	5,602
Inventories		925	734	191
Other current assets		1,145	173	972
Total current assets		82,086	38,462	43,624
Non-current assets				
Other financial assets	i	177,657	171,940	5,717
Property, plant and equipment	j	294,137	258,007	36,130
Intangible assets		296	149	147
Other non-current assets		2,223	1,563	660
Total non-current assets		474,313	431,659	42,654
Total assets		556,399	470,121	86,278
Current liabilities				
Payables	k	17,384	9,669	7,715
Accrued employee benefits		7,896	6,070	1,826
Contract liabilities		46,146	43,438	2,708
Provisions	l	1,935	-	1,935
Total current liabilities		73,361	59,177	14,184
Total liabilities		73,361	59,177	14,184
Net assets		483,038	410,944	72,094
Equity				
Total equity		483,038	410,944	72,094

Notes to the financial statements

For the year ended 30 June 2022

30. Budgetary reporting disclosures (cont'd)

Budget to actual comparison - Statement of cash flows

	Notes	Actual 2022 \$'000	Original Budget 2022 \$'000	Budget Variance 2022 \$'000
Cash flows from operating activities				
Inflows:				
Grants and other contributions		68,382	74,765	(6,383)
User charges and fees	m	60,499	35,322	25,177
Other income		1,681	25	1,656
Interest income		258	87	171
GST input tax credits from ATO		2,858	-	2,858
GST collected from customers		2,445	-	2,445
Outflows:				
Employee expenses		(67,892)	(66,856)	(1,036)
Supplies and services		(34,971)	(35,948)	977
Finance costs		(986)	(850)	(136)
GST paid to suppliers		(2,816)	-	(2,816)
GST remitted to ATO		(2,468)	-	(2,468)
Other		(2,411)	(4,957)	2,546
Net cash generated by (used in) operating activities		24,579	1,588	22,991
Cash flows from investing activities				
Inflows:				
Redemptions of other financial assets	n	-	19,500	(19,500)
Outflows:				
Investments in other financial assets		(15,898)	(13,506)	(2,392)
Acquisition of property, plant and equipment	o	(2,834)	(5,710)	2,876
Net cash used in investing activities		(18,732)	284	(19,016)
Cash flows from financing activities				
Inflows:				
Repayments from related entity		41	-	41
Outflows:				
Loans and advances made to related entity		(205)	(1,045)	840
Net cash used in financing activities		(164)	(1,045)	881
Net increase/(decrease) in cash and cash equivalents		5,683	827	4,856
Cash and cash equivalents at beginning of financial year		35,898	8,684	27,214
Cash and cash equivalents at end of financial year		41,581	9,511	32,070

Notes to the financial statements

For the year ended 30 June 2022

Explanation of major variances

Statement of comprehensive income

- a. Income from the commercialisation of research outcomes was above budget due to a significant IP deal of \$26.6m.
- b. Investment returns from fund distributions were 6% against a budget return of 3.0% resulting in a favourable \$5.5m against budget. Employee research services funds of \$2.4m were surrendered to the Institute (refer note 5).
- c. Investment returns from market movements were below budget by \$31.2m due to the fall of markets late in the financial year, with actual returns of -13% against a budget return of 3%.
- d. Supplies and services in 2021/22 were lower than budget due to savings in the Institute administration and research support areas.
- e. Other expenses are above budget due to the recognition of distributions payable to inventors associated with the higher commercialisation income in the current financial year and finalisation of amounts payable from the prior year (\$3.5m), the recognition of grants and donations to be refunded (\$2.6m), higher distributions to project collaborators due to increased contract research income (\$2.3m) and above budget legal expenses (\$0.7m). This is offset by \$5.9m of contract research costs previously recognised that were reversed from contract liabilities (refer note 21)
- f. The revaluation of buildings was not budgeted.

Statement of financial position

- g. Cash and cash equivalents balance reflects the higher than budget balance of unspent grant funds which in turn requires a higher balance of funds in term deposits under NHMRC grant funding rules. Additional funds are also held in Queensland Treasury Corporation accounts at end of year compared to budget.
- h. The actual receivables balance includes \$1.5m in franking credits from earnings on managed funds.
- i. Total other financial assets (current and non-current) are higher than budget by \$11.3m due to a higher opening balance at the start of the financial year, lower redemption of funds throughout the year as less funds were required to be withdrawn for operational purposes, offset by the impact of lower investment returns due to market performance.
- j. The property, plant and equipment balance has increased due to the revaluation of the buildings following an independent valuation. Refer note 18.
- k. The payables balance is above budget due to balances owing to inventors for their share of commercialisation proceeds.
- l. The actual provision balance is made up of grant funds that are to be repaid to funding bodies. This was not budgeted.

Statement of cash flows

- m. Cash inflows from commercialisation of research outcomes was above budget by \$28.0m, offset partly by lower contract research inflows.
- n. Redemptions from other financial assets were \$19.5m lower than budget due to the receipt of funds from unbudgeted commercialisation deals.
- o. Acquisition of property, plant and equipment is below budget due to delays in delivery of equipment resulting in cash outflows being delayed until next financial year, and lower expenditure on building renewal works.

Notes to the financial statements
For the year ended 30 June 2022

WHAT COUNCIL LOOK AFTER ON BEHALF OF WHOLE-OF-GOVERNMENT AND THIRD PARTIES

31. Trust transactions and balances

Employee Research Services

The Council undertakes a custodial role in respect of transactions and balances relating to Employee Research Services (ERS). Transactions for ERS are not recognised in the financial statements but are disclosed in this note for the information of users. The balance of cash and cash equivalents excludes the balance of the ERS funds held in trust (refer to note 11).

This is a summary of the financial transactions and balances for Employee Research Services:

	2022	2021
	\$'000	\$'000
Income	2,395	2,390
Expenses	(4,879)	(2,462)
(Decrease) in net balance	(2,484)	(72)
Cash held in short term deposits	6,971	9,455
Total trust assets	6,971	9,455

The Council undertakes certain trustee transactions on behalf of employees' research activities, for which no fees are received by Council. Some funds are paid to staff members where they are entitled to them under Council policy as consultancy payments, otherwise funds are used for research activities. Where a staff member with an ERS account leaves the Institute, any consultancy funds in their balance will be paid to the staff member and any other funds are returned to the Institute (2021-22: \$2.4m was surrendered, refer to note 5).

Notes to the financial statements

For the year ended 30 June 2022

OTHER INFORMATION

32. Key management personnel (KMP) disclosures

(a) Key management personnel

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the Institute during 2020-21 and 2021-22. Appointments of Council members and the Director/CEO is made by the Governor in Council under s5 & s10 of the Queensland Institute of Medical Research Act 1945. The functions of the Council are to: (a) control and manage the Institute; (b) raise and accept moneys for the purposes of the Institute; (c) invest moneys raised and accepted by the Council for the purposes of the Institute; and (d) invest moneys derived from any property or other invested moneys of the Council for the purposes of the Institute.

As a result of a new organisational structure which was implemented effective from 1 March 2022, the Key management personnel (KMP) disclosures reflect additional executive positions from this date.

Position	Incumbents term		2021-22	2020-21
	Date of initial appointment	Date of cessation		
Council members				
Prof Arun Sharma – Chair	4 Jul 2019		√	√
Dr Sonya Bennett^	4 Jul 2019		√	√
Dr Madonna Callaghan	4 Jul 2019		√	√
Ms Celeste Neander	4 Jul 2019		√	√
Prof Alan Pettigrew	9 Sep 2011	17 Dec 2021	√	√
Mr Mitchell Petrie	4 Jul 2019		√	√
Ms Susan Rallings	4 Jul 2019		√	√
Mr Michael Sargent*	27 Nov 2014		√	√
Dr Clair Sullivan^	4 Jul 2019	18 Aug 2020		√
Emeritus Prof Janet Verbyla**	4 Jul 2019		√	√
Executive				
Prof Fabienne Mackay (Director/CEO)	18 May 2020		√	√
Prof Grant Ramm (Deputy Director and Chief Scientist)	1 Mar 2022		√	N/A
Ms Lee Bruce (Chief Operating Officer)	1 Mar 2022		√	N/A
Ms Jane Farmer (Chief People Officer)	1 Mar 2022		√	N/A
Dr Mathias Kroll (Chief Commercial Officer)	1 Mar 2022		√	N/A

[^] Officer of the public service

^{*} Also a Director of genomiQa Pty Ltd which is a controlled entity of Council (refer to note 33)

^{**} Also a Director of Endpoint IQ Pty Ltd which is a controlled entity of Council (refer to note 33)

Notes to the financial statements
For the year ended 30 June 2022

32. Key management personnel (KMP) disclosures (cont'd)

Position	Position responsibility
Council member	Overall authority and responsibility for overseeing, directing and controlling the activities of the Institute
Director/CEO	Overall efficient and effective administration of the Council operations
Deputy Director & Chief Scientist	Assists the Director/CEO in ensuring the efficient running of Council operations. Position is also responsible for research governance and funding across the Institute
Chief Operating Officer	Position has delegated responsibility for running of Institute operations, including building, IT, scientific services, finance, procurement, enterprise governance and risk, legal, corporate affairs and fundraising, including playing a key role in the planning and directing the activities of the Institute which influence the whole of operations
Chief People Officer	Position has responsibility for people and culture matters across the whole Institute
Chief Commercial Officer	Position has responsibility for Commercial arrangements and contracts including planning and direction across the Institute

(b) Remuneration policies

The Chairperson and members of Council receive sitting fees in line with the 'Remuneration of part-time Chairs and Members of Government Boards, Committees and Statutory Authorities' guideline issued by the Queensland Government. Any member of the Council who is an officer of the public service does not receive fees or allowances for attendance at a meeting of the Council without the appropriate approvals.

The remuneration for the Director/CEO and the Deputy Director & Chief Scientist is set by Council and approved by the Governor in Council as provided for under the *Queensland Institute of Medical Research Act 1945*.

The remuneration package for the KMP comprises the following components:

- i. Short-term employee expenses that include base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year, during which the KMP occupied the specified position. Amounts disclosed equal the amount expensed in the statement of comprehensive income.
- ii. Long-term employee expenses include amounts expensed in respect of long service leave entitlements earned.
- iii. Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- iv. Termination benefits are not provided for within the KMP's contract of employment. The contract of employment provides only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.
- v. There are no performance incentive bonuses paid or payable to any position except the Chief Commercial Officer whose remuneration package provides for such payment based on net commercial contract research and commercialisation income achieved against a specified baseline. The amount is calculated and paid after finalisation of the annual financial statements. No amount was paid in the period covered by the KMP disclosures for the Chief Commercial Officer.

Key management personnel remuneration expense

The following disclosures focus on the expenses incurred by Council that are attributable to key management positions during the respective reporting periods. Therefore, the amounts disclosed reflect expenses recognised in the statement

Notes to the financial statements
For the year ended 30 June 2022

32. Key management personnel (KMP) disclosures (cont'd)

of comprehensive income. Total remuneration is calculated on a 'total cost' basis and includes the base and non-monetary benefits, long term employee benefits and post-employment benefits.

1 July 2021 - 30 June 2022

Position	Short term employee expenses		Long term employee	Post-employment expenses	Total expenses
	Monetary expenses \$'000	Non-monetary benefits \$'000	\$'000	\$'000	\$'000
Chair of Council (1)	7	-	-	-	7
Council Members (5)	23	-	-	-	23
Director/CEO	578	-	14	73	665
Deputy Director & Chief Scientist^#	56	-	-	1	57
Chief Operating Officer ^	100	-	3	12	115
Chief People Officer^	87	-	2	14	103
Chief Commercial Officer^	89	-	2	14	105
Total	940	-	21	114	1075

^Disclosures are from the implementation of the new organisational structure effective 1 March 2022 therefore no comparative figures.

Deputy Director & Chief Scientist allowance only, excludes any Group Leader amount received as head of a lab.

1 July 2020 - 30 June 2021

Position	Short term employee expenses		Long term employee	Post-employment expenses	Total expenses
	Monetary expenses \$'000	Non-monetary benefits \$'000	\$'000	\$'000	\$'000
Chair of Council (1)	7	-	-	-	7
Council Members (6)	33	-	-	-	33
Director/CEO	583	-	14	73	670
Total	623	-	14	73	710

The table above includes \$0 in fringe benefits tax paid by Council in 2021-22 in relation to key management remuneration (2021: \$0).

Notes to the financial statements

For the year ended 30 June 2022

33. Controlled entities

(a) Vaccine Solutions Pty Ltd

Vaccine Solutions Pty Ltd was established in 1998, for-profit in nature, to provide clinical trial sponsorship, intellectual property management and commercialisation services to the Cooperative Research Centre for Vaccine Technology

(CRCVT). Following the winding up of the CRCVT, Vaccine Solutions Pty Ltd managed a number of licensing arrangements for the benefit of the members of CRCVT Trust II until its termination during the 2018-19 financial year. Vaccine Solutions Pty Ltd currently does not own any physical or intellectual property assets on its own.

In July 2015 Council acquired full ownership of Vaccine Solutions Pty Ltd. As at 30 June 2022 the Council holds 100% of the shares of Vaccine Solutions Pty Ltd (2021: 100%). Vaccine Solutions Pty Ltd's registered office is in Brisbane, Queensland, with its activities also being conducted there.

Vaccine Solutions Pty Ltd did not pay a dividend in 2021-22 (2020-21: \$15,873).

Vaccine Solutions Pty Ltd was not required to prepare financial statements for the years 30 June 2022 and 30 June 2021. The net results and position of Vaccine Solutions Pty Ltd were not considered material and are therefore not consolidated in the Council's financial statements.

The company did not have any material contingent liabilities or commitments as at 30 June 2022 (similar as at 30 June 2021).

(b) genomiQa Pty Ltd

The Minister for Health approved the formation of genomiQa Pty Ltd in May 2017.

genomiQa Pty Ltd is for-profit in nature, offering high-quality precision analysis of data from whole genome sequencing. As at 30 June 2022, the Council holds 66% of the shares in genomiQa Pty Ltd (2021: 66%). genomiQa Pty Ltd's registered office is in Brisbane, Queensland, with its activities also being conducted there.

	2022	2021
	\$'000	\$'000
genomiQa Pty Ltd		
Investment – at cost	500	500
Less: impairment loss	(500)	(400)
	<u>-</u>	<u>100</u>

Council provides support to genomiQa Pty Ltd through a Letter of Comfort, duly authorised by a resolution of the Council, which represents a contingent liability for the Council. This Letter of Comfort is in accordance with sections 60A and 61A (1) of the *Statutory Bodies Financial Arrangements Act 1982*. Council will provide financial support to ensure business continuity of genomiQa Pty Ltd until 31 December 2023, unless the Council ceases to be a majority shareholder.

genomiQa Pty Ltd was required to prepare audited financial statements for the years 30 June 2022 and 30 June 2021. The 2022 audit has not yet been finalised. The net results and position of genomiQa Pty Ltd were not considered material and are therefore not consolidated in the Council's financial statements.

**Notes to the financial statements
For the year ended 30 June 2022**

33. Controlled entities (cont'd)

The company did not have any material contingent liabilities or commitments as at 30 June 2022 (similar as at 30 June 2021).

As at 30 June 2022, Council reassessed that technical and commercial risks existed as barriers to commercialising genomiQa's technologies, and consequently has impaired in full the balance of the loan of \$1.27m (2021: impairment of \$1.21m) as well as to the equity investment in full by \$0.1m (2021: impairment by \$0.4m to \$0.1m). Refer Notes 10 & 15.

(c) Q-Gen Pty Ltd

During the 2004-05 financial year, the Council incorporated a wholly owned subsidiary, Q-Gen Pty Ltd. The operations of Q-Gen Pty Ltd were wound up as at 30 June 2009 with activities of the entity being taken over by the Council. The entity still exists as a shelf company but is dormant. A letter confirming current dormancy has been issued by the sole director of Q-Gen Pty Ltd.

(d) Endpoint IQ Pty Ltd

The Minister for Health approved the formation of Endpoint IQ Pty Ltd in September 2018.

Endpoint IQ Pty Ltd is for-profit in nature offering bespoke research management systems to the health and research community. As at 30 June 2022, the Council holds 80% of the shares in Endpoint IQ Pty Ltd (2021: 80%). Endpoint IQ Pty Ltd registered office is in Brisbane, Queensland, with its activities also being conducted there.

Council provides support to Endpoint IQ Pty Ltd through a Letter of Comfort, duly authorised by a resolution of the Council, which represents a contingent liability for the Council. This Letter of Comfort is in accordance with sections 60A and 61A (1) of the *Statutory Bodies Financial Arrangements Act 1982*. Council will provide financial support to ensure business continuity of Endpoint IQ Pty Ltd until 31 December 2023 unless the Council ceases to be a majority shareholder.

Endpoint IQ Pty Ltd was required to prepare audited financial statements for the years 30 June 2022 and 30 June 2021. The 2022 audit has not yet been finalised. The net results and position of Endpoint IQ Pty Ltd were not considered material and are therefore not consolidated in the Council's financial statements.

(e) A.C.N. 653 473 397 Pty Ltd (trading name BioManufacturing Alliance Investments)

The Minister for Health approved the formation of A.C.N. 653 473 397 Pty Ltd in September 2021. The entity was set up for the purpose of applying for a specific grant, for which it was unsuccessful. The entity has undertaken no transactions and will be wound up in 2022-23 financial year.

Accounting policy – Controlled entities

Controlled entities are entities over which the Council has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. Any controlled entities that are not considered as material are not consolidated with the Council's financial statements and the amount of the investment is recorded at cost. The auditor for all controlled entities is the Auditor-General of Queensland.

**Notes to the financial statements
For the year ended 30 June 2022**

34. Related party transactions

Transactions with other related party

	2022	2021
	\$'000	\$'000

genomiQa Pty Ltd

The following transactions occurred with related party genomiQa Pty Ltd:

Sales and purchases of goods and services

Provision of staff and related on-costs to genomiQa Pty Ltd	377	124
Licence of premises	-	8
Service provision to genomiQa Pty Ltd	57	-

Other transactions

Equity investments	-	-
Loan – principal plus capitalised interest	91	340

Outstanding balances arising from sales/purchases of services and reimbursements

The following balance is outstanding at the end of the reporting period 2021-22:

Current receivables	42	20
Loan – principal plus capitalised interest	1,272	1,264

The Institute also provided administrative support services for genomiQa Pty Ltd. These services were not charged and weren't considered material.

Endpoint IQ Pty Ltd

The following transactions occurred with related party Endpoint IQ Pty Ltd:

Other transactions

Loan – principal plus capitalised interest	306	374
Purchase of software support and maintenance services	139	134
Royalty revenue received from Endpoint IQ Pty Ltd	(17)	(12)

Outstanding balances arising from sales/purchases of services and reimbursements

The following balances are outstanding at the end of the reporting period 2021-22:

Loan – principal plus capitalised interest	1,385	1,078
--	-------	-------

Transactions with people/entities related to Key Management Personnel (KMP)

During the 2021-22 financial year Council's KMP did not enter into any transaction/arrangements with any related parties including close family members and entities controlled or jointly controlled by the KMP or a close family member. The 'Declarations of Related Party Information by non-Ministerial KMP' at 30 June 2022 support this disclosure.

Notes to the financial statements

For the year ended 30 June 2022

34. Related party transactions (cont'd)

Transactions with other Queensland Government-controlled entities

The Council receives an annual operational grant and a number of research grants from the Department of Health, Queensland (Queensland Health). Refer to notes 3 & 29.

The Council leases land from the State of Queensland (represented by Queensland Health) at nominal rental on which two of the buildings sit. In addition, the Central Building, completed on 1 June 2012, occupies MNHHS land without a current lease in place. Refer to note 18.

The Council undertakes a number of transactions, such as employer superannuation contributions, WorkCover premiums and insurance payments to a range of Queensland Government controlled entities on normal terms and conditions.

The Council has short-term cash on call funds invested in Queensland Treasury Corporation (Queensland Treasury Corporation). Included in cash on call is \$25.4m (2021: \$20.27m) as at 30 June 2022. Refer to note 11. The Council has long-term research funds invested in managed funds with QIC Limited (Queensland Investment Corporation). Refer to note 14.

35. Taxation

The Council is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by the Council. GST credits receivable from, and GST payable to the ATO, are recognised. Refer to note 12. The operation of the Institute's commercial activities and commercial business entities does not impact on the Institute's charitable status with the Australian Charities and Not-for-profits Commission (ACNC).

36. Climate risk disclosure

Climate Risk Assessment

The Council considers specific financial impacts relating to climate-related risks by identifying and monitoring material accounting judgements and estimates used in preparing the financial report. This includes the potential for changes in asset useful lives, changes in the fair value of assets, provisions or contingent liabilities and changes in expenses and revenue.

The Council has not identified any material climate-related risks relevant to the financial report at the reporting date; however Council, constantly monitors the emergence of such risks under the Queensland Government's Climate Transition Strategy and Climate Action Plan 2030.

The Council of The Queensland Institute of Medical Research

Management Certificate For the year ended 30 June 2022

Certificate of The Council of the Queensland Institute of Medical Research

These general purpose financial statements have been prepared pursuant to:

- section 62(1) of the *Financial Accountability Act 2009* (the Act),
- section 39 of the *Financial and Performance Management Standard 2019*;
- *Australian Charities and Not-for-profits Commission Act 2012*; and
- other prescribed requirements.

In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of The Council of the Queensland Institute of Medical Research for the financial year ended 30 June 2022 and of the financial position of the Council at the end of that year; and
- there are reasonable grounds to believe that the Council of the Queensland Institute of Medical Research will be able to pay its debts as and when they become due and payable.

The Council acknowledges responsibility under s 7 and s 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.

Dated at Brisbane this 30th day of August 2022



Professor Arun Sharma

Chair of Council



Professor Fabienne Mackay

Director and Chief Executive Officer



Lee Bruce

Secretary

INDEPENDENT AUDITOR'S REPORT

To The Council of the Queensland Institute of Medical Research

Report on the audit of the financial report

Opinion

I have audited the financial report of The Council of the Queensland Institute of Medical Research.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2022, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the entity for the financial report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards, and for such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Council is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My 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 my 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 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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. This is not done for the purpose of expressing an opinion on the effectiveness of the entity's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my 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

I communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2022:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



31 August 2022

Michael Claydon
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

GLOSSARY

Term	Definition
AEC	Animal Ethics Committee
CEO	Chief Executive Officer
CMV	Cytomegalovirus
EBV	Epstein Barr Virus
FTE	Full time equivalent
HREC	Human Research Ethics Committee
NHRMC	National Health and Medical Research Council
OCD	Obsessive compulsive disorder
PC3	Physical Containment Level 3 Laboratory
QIMR Berghofer	Queensland Institute of Medical Research Berghofer Medical Research Institute
QSA	Queensland State Archives
RBWH	Royal Brisbane and Women's Hospital
The Institute	QIMR Berghofer Medical Research Institute
TRI	Translational Research Institute

COMPLIANCE CHECKLIST

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7	3
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1	4 109
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	2
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	2
	<ul style="list-style-type: none"> Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 9.4	2
	<ul style="list-style-type: none"> Information Licensing 	<i>QGEA – Information Licensing</i> ARRs – section 9.5	NA
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10	5, 32
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community and whole-of-government plans/specific initiatives 	ARRs – section 11.1	33
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.2	36
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.3	NA
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	55
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	31
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	27
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3	16
	<ul style="list-style-type: none"> Public Sector Ethics 	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	50

Summary of requirement		Basis for requirement	Annual report reference
	• Human Rights	<i>Human Rights Act 2019</i> ARRs – section 13.5	52
	• Queensland public service values	ARRs – section 13.6	50
Governance – risk management and accountability	• Risk management	ARRs – section 14.1	50
	• Audit committee	ARRs – section 14.2	50
	• Internal audit	ARRs – section 14.3	50
	• External scrutiny	ARRs – section 14.4	NA
	• Information systems and recordkeeping	ARRs – section 14.5	53
	• Information Security attestation	ARRs – section 14.6	NA
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	51
	• Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	NA
Open Data	• Statement advising publication of information	ARRs – section 16	54
	• Consultancies	ARRs – section 31.1	https://data.qld.gov.au
	• Overseas travel	ARRs – section 31.2	https://data.qld.gov.au
	• Queensland Language Services Policy	ARRs – section 31.3	NA
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	105
	• Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	105

FFA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2019*

ARRs *Annual report requirements for Queensland Government agencies*

ANNUAL REPORT 2021–2022

QIMR Berghofer Medical Research Institute

www.qimrberghofer.edu.au