



Baker
HEART & DIABETES INSTITUTE



Impact Report 2016

Who we are

We are an Australian-based medical research institute. We have been making scientific discoveries to transform the health of our community for more than 90 years. Our research is dedicated to the prevention, diagnosis and treatment of cardiovascular disease, diabetes and obesity. These are the biggest health challenges facing Australians today.

Advances in medicine and public health have helped control the epidemic of heart disease and stroke, which peaked about 50 years ago. But heart disease is still the single leading cause of death in Australia, accounting for 19 per cent of the burden of disease.

Our Impact:

- Identifying the genetic and environmental causes of disease.
- Contributing to prevention strategies to mitigate an individual's risk of diabetes and cardiovascular disease.
- Developing treatment options for chronic diseases and their complications.
- Developing programs to manage disease, particularly in high-risk groups.
- Informing policy, developing best-practice treatment guidelines and education programs.
- Commercialisation of scientific discoveries, including the development of new drugs and devices.
- Providing credible health information to the community.



RESEARCH FACILITIES

Headquartered in Melbourne, with a research facility in Alice Springs, the Institute conducts research in the laboratory and in the community to tackle heart disease, diabetes and obesity



NATIONAL PROGRAM

Operates a national program aimed at addressing the health disadvantage in Aboriginal communities



CLINICAL SERVICES

Provides a range of cardiovascular and diabetes clinics for people looking for evidence-based care

Contents

Snapshot of the problem	2
Snapshot of the Institute	3
Chairman's report	4
Director's report	5
A science strategy to drive better health	6
Research outputs: grants and publications	8
Highlights: discovery	10
Nucleus Network: a market leader in clinical trials	12
Diabetes clinics: a holistic approach	15
Cardiovascular clinics: healthy hearts for all Australians	16
Aboriginal health: working to reduce disadvantage	19
From ideas to innovation	20
In the community	23
Philanthropy across the generations	24
Supporters and acknowledgements	26
Board of directors	28
Financial highlights	30
Financial performance at a glance	31
Financial statements	32
How you can support us	37

30 
LABORATORIES

300+ 
**RESEARCHERS,
CLINICIANS,
RESEARCH NURSES
AND STUDENTS**

Snapshot of the problem

Cardiovascular disease, diabetes and obesity are the biggest health challenges facing our society today. Cardiovascular disease is the leading cause of death in Australia, while type 2 diabetes is projected to be the leading cause of disease burden for men and the second cause of disease burden for women by 2023.

DIABETES IS THE FASTEST GROWING CHRONIC CONDITION



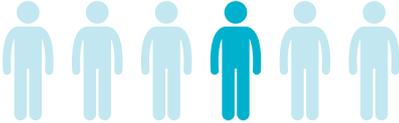
56% OF AUSTRALIANS **ARE INACTIVE OR INSUFFICIENTLY ACTIVE**



TWO IN THREE AUSTRALIANS ARE OVERWEIGHT OR OBESE



ONE IN SIX PEOPLE WILL SUFFER A STROKE IN THEIR LIFETIME



DIABETES IS THE LEADING CAUSE OF PREVENTABLE BLINDNESS



\$7.6 BILLION CARDIOVASCULAR DISEASE IS THE MOST EXPENSIVE DISEASE GROUP



CARDIOVASCULAR DISEASE KILLS ONE AUSTRALIAN EVERY 12 MINUTES



280 AUSTRALIANS DEVELOP DIABETES EVERY DAY



HEART DISEASE IS THE SINGLE BIGGEST KILLER OF AUSTRALIANS



Snapshot of the Institute

DEDICATED TO TACKLING THE DEADLY TRIO



**CARDIOVASCULAR
DISEASE**



DIABETES



OBESITY

FLAGSHIP PROGRAMS

Established flagship programs to answer big-picture scientific questions about:

**HYPERTENSION &
CARDIAC DISEASE**



**OBESITY &
DIABETES**



**DIABETES
COMPLICATIONS**



PHYSICAL ACTIVITY



ATHEROTHROMBOSIS



\$81.8 MILLION TURNOVER, INCLUDING

commercial subsidiaries such as early-phase clinical trials facility, Nucleus Network

OPERATES A NATIONAL PROGRAM

Aimed at addressing the health disadvantages in Aboriginal communities

FUNDED THROUGH A DIVERSE RANGE OF SOURCES, INCLUDING:

- COMPETITIVE GRANTS
- FEDERAL & STATE GOVERNMENTS
- SERVICE & CLINICAL INCOME
- PHILANTHROPIC SUPPORT

Chairman's report



“Our history of discovery is cause for great optimism in the face of significant health challenges. The Institute’s contributions are more important now than ever before.”

Peter Scott

2016 marked 90 years of scientific achievements at the Baker Institute.

To honour the Institute’s history, we have developed permanent displays in the foyers of our Melbourne facilities. The displays capture some of the Institute’s major scientific discoveries. These include: defining the differences between type 1 and type 2 diabetes; the pivotal experimental studies that paved the way for open heart surgery at The Alfred Hospital; pioneering research in Pacific and Indian Ocean populations that helped predict the global epidemics of diabetes; and studies that enabled Institute scientists to develop new therapies for heart failure.

Despite progress in treating cardiovascular disease (CVD), it remains the main cause of death and disability, and imposes the highest level of economic burden of all disease groups in Australia.¹ There are also signs that Australia is at risk of a resurgence of CVD. The annual decline in heart-disease death rates in the US has shown a flattening since 2011,² leading health experts to speculate that decades of dramatic progress might now have stalled. In Australia, atherosclerosis and heart attack in middle age are being overtaken by the new epidemics of CVD, including atrial fibrillation and heart failure.³

Obesity and type 2 diabetes are also epidemics that we are grappling with. Population health experts at the Institute predict that if the incidence of diabetes continues to rise at current rates, up to 3 million Australians over the age of 25 years will have diabetes by 2025. For type 2 diabetes, this is likely driven by rising obesity, the ageing population, dietary changes and sedentary lifestyles. The rising incidence of type 1 diabetes is also contributing to the growth of diabetes in Australia.⁴

The establishment of the Medical Research Future Fund (MRFF) by the Federal Government will provide a significant boost to health and medical research in Australia, and we look forward to it being fully funded to the announced level of \$20 billion by 2021. This will enable disbursements of approximately \$1 billion per year, which will effectively double the government’s annual investment in health and medical research.

It is also pleasing that Australia’s principal medical research funder, the National Health and Medical Research Council (NHMRC), is looking to streamline its funding process. We hope this will reduce the process burdens on researchers and peer reviewers, and encourage more young scientists to pursue a research career.

“The Baker Institute and other not-for-profit organisations play an important role in developing research and innovation in Australia.”

The Institute is highly appreciative of the essential funding that comes from the Federal Government (through the NHMRC and, in the near future, through the MRFF) and from the Victorian and Northern Territory governments through infrastructure support. However, we are increasingly dependent on philanthropic funding to pursue our mission.

We continue to be inspired by the support of our donors; in particular, I would like to thank the Baker Foundation, an outstanding supporter of the Institute since 1926.

A committed board of directors has been essential to the Institute’s work and its strategic focus. For this, I am grateful for the support of my fellow directors and I would like to thank in particular David Gilmour and Professors Christina Mitchell and Andrew Way, who stepped down from the board in 2017 after several years of much appreciated service to the Institute.

Finally, I thank the Institute’s staff. Their scientific achievements are making a significant contribution to the health and wellbeing of our community.



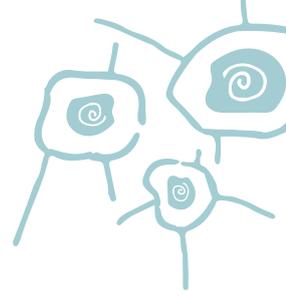
PETER SCOTT

CHAIRMAN

Baker Heart and Diabetes Institute

¹Health-care expenditure on cardiovascular diseases 2008–09. Canberra: Australian Institute of Health and Welfare; 2014. ²Recent trends in cardiovascular mortality in the United States and public health goals, Sidney, S et al. *JAMA Cardiology*, 2016. ³Change of Heart: Time to End Cardiovascular Complacency, Baker IDI Heart and Diabetes Institute, 2016. ⁴Diabetes: The Silent Pandemic and Its Impact on Australia, Baker IDI Heart and Diabetes Institute, 2016.

Director's report



As I reflect on this past year, I am buoyed by the discoveries the Institute has made over the past 12 months and how we consistently rise to the challenge to address Australia's biggest health problems.

The development of our new Strategic Plan this past year provided us with the opportunity to sharpen our focus and identify the areas of research in which we know we can make the greatest impact. Each area of focus is structured in accordance with a specific and achievable five-year target. These focus areas tell us where we should pursue high-impact publications, patents and policy breakthroughs over the next few years.

Further to the launch of our new Strategic Plan, the Institute launched its inaugural grant and fellowship schemes, including internal, external and gender equity fellowships, as well as project, program and seed grants. These grants will enable the Institute to deliver on its strategic priorities, independent of external funding pressures.

Our values underpin all that we do at the Baker Institute.

These values are among the reasons that the Institute is often asked to carry out vital research to inform policy and guidelines. In 2016, we were asked to write a report into the state of cardiovascular disease in Australia. The report, *Change of Heart: Time to End Cardiovascular Complacency*, predicts that the gains we have made in cardiovascular health are in jeopardy.

Too many Australians with risk factors such as high blood pressure or type 2 diabetes remain untreated or not treated to recommended targets. Attention is especially needed to better control risk factors among vulnerable groups, particularly in Aboriginal and Torres Strait Islander communities. In addition, growing

“Our commitment to excellence in scientific research, integrity, effective communication of science, workplace innovation, trust and efficiency continues to inspire and guide our work.”

Professor Tom Marwick



rates of 'diabetes' and public complacency could undermine our achievements in cardiovascular health. When it comes to the health of Australians, we must not be complacent; a change of heart is needed to prioritise cardiovascular health among the community, health professionals and government.

“One of the key requirements of our research is that it is easily translatable and offers solutions to urgent health problems through clinical research.”

Helping to introduce new drugs and devices is also an important part of the translation process. That's why the work of Nucleus Network, a subsidiary of the Institute and Australia's leading clinical research company, is also critical. Established in 2003 by the Victorian Government, Nucleus Network has conducted more than 350 early phase clinical trials. These trials are a vital step in the process of bringing new medicines to the community.

At the Baker Institute, our mission is to reduce death and disability from cardiovascular disease, diabetes and other related health disorders – but we can't do it without you. Our work

would not be possible without the significant support of individuals, philanthropic trusts and foundations who support us financially; our wonderful volunteers; the dedicated Friends of the Baker Institute; the patients at our clinics; the trial participants engaged in our clinical research; and our talented staff.

I also gratefully acknowledge the support we receive from the Victorian, Northern Territory and Federal governments. In particular, I would like to acknowledge the Federal Government for the allocation of National Health and Medical Research Council grants, as well as the coming Medical Research Future Fund.

Doing more of the same will not solve our current problems with cardiovascular and metabolic disease. Our role as researchers is to gather the evidence that will underpin new investigation and treatment. Together we can tackle Australia's greatest health challenges to ensure that all Australians have access to quality care, the latest treatments and the opportunity to live long, healthy and productive lives.

PROFESSOR TOM MARWICK

DIRECTOR

Baker Heart and Diabetes Institute

A science strategy to drive better health

The Baker Institute is one of the few institutes in the world where the work of staff spans benchtop to bedside and where research is dedicated to tackling the deadly trio of diseases: cardiovascular disease, diabetes and obesity.

There are 30 laboratories comprising more than 300 researchers, clinicians and research nurses, support staff and students who work across five research areas.

RESEARCH AREAS



Basic Research

Our scientists aim to understand the cellular mechanisms, biomarkers and progression of disease and the pathways of gene expression in order to develop new and enhanced treatments.

Translational Research

Our researchers are working to improve the diagnosis and therapy for patients with heart failure, coronary artery disease and vascular disease, atherosclerosis, metabolic disease and those who have suffered a heart attack.

Clinical Research

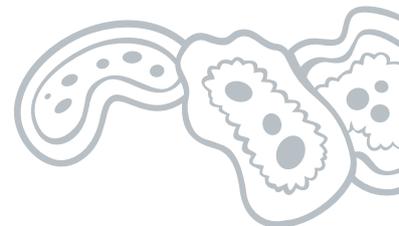
Imaging and other diagnostic tools are being used by our researchers to better understand disease development and treatment, while clinical trials are informing how healthcare can be best delivered. The Institute also runs a number of clinical services such as heart, diabetes, eye and weight-reduction clinics.

Population Health

The work of our researchers in examining trends in diabetes and obesity prevalence and incidence is used to inform policy, government and health authorities. Our researchers are also investigating novel risk factors at a population level, and new therapeutic approaches to preventing and treating diabetes, heart disease and obesity.

Aboriginal Health

Our work in Aboriginal health encompasses research, education and clinical services that aim to address the profound health disadvantage experienced by Aboriginal people. Our researchers are bringing their skills and resources to bear on answering these challenges.



Thank you to the Ernest Heine Family Foundation, which funds the development of these five pioneering research programs. These programs support our scientists to answer big-picture questions that could transform healthcare.

PROGRAMS OF DISCOVERY



Physical Activity

- We want to know how people's bodies adapt to exercise and how we could use that information to predict heart failure and how exercise changes our cellular make-up.
- We aim to reduce the burden of disease by encouraging Australians to move more.

Obesity and Diabetes

- We want to find out why some ethnicities are more likely to develop diabetes than others.
- We want to track diabetes incidence in Australia and globally to provide a more accurate picture of national and international trends and what, if any, interventions are working.
- We aim to find out if there are environmental and lifestyle factors that contribute to diabetes.

Diabetes Complications

- We aim to reduce the burden of diabetic complications (dialysis, heart attack, amputation) by establishing clinical trials of new drugs.
- We seek to develop sophisticated diagnostics for early identification and prevention of symptoms.

Atherothrombosis

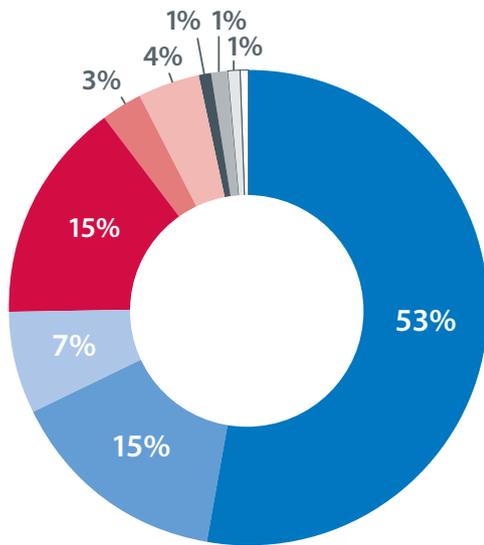
- We aim to find out who is at risk of developing blocked arteries, which can lead to heart attack and stroke.
- We develop and test new and improved drug treatments.
- We conduct trials with anti-inflammatory, anti-diabetic and lipid-lowering drugs in patients who have experienced a heart attack with the aim of reducing the 'size' of the attack and preventing further attacks.

Hypertension and Cardiac Disease

- Our researchers aim to reverse chronic heart disease, and to prevent and repair structural damage to the heart from hypertension, heart disease and associated rhythm disturbances.

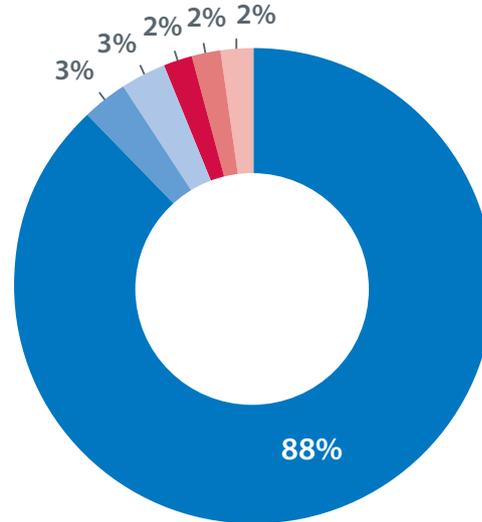
Research outputs: grants and publications

NATIONAL HEALTH & MEDICAL RESEARCH COUNCIL FUNDING RECEIVED IN 2016



Project Grants	\$9,658,986
Program Grants	\$2,651,782
Centres of Research Excellence	\$1,176,489
Research Fellowships	\$2,763,709
Career Development Fellowships	\$480,597
Early Career Fellowships	\$774,043
EU Grants	\$167,496
Practitioner Fellowships	\$162,691
Postgraduate Scholarships	\$172,714
Development Grant	\$60,000
TOTAL	\$18,068,507

TOTAL GRANT FUNDING RECEIVED



NHMRC	\$18,068,507
NHF	\$699,300
JDRF	\$583,978
DART	\$419,268
Other Domestic	\$390,487
Other International	\$290,805
TOTAL	\$20,452,345

BAKER PUBLICATIONS

PUBLICATION TYPE	2012	2013	2014	2015	2016
Original research articles	294	293	294	294	306
Reviews	72	61	72	69	64
Editorials & comments	36	27	36	28	40
Letters & author replies	14	21	14	16	12
Books & book chapters	13	7	13	16	9
Other	17	15	17	17	24
TOTAL	446	424	446	440	455

TOP 10 HIGHEST IMPACT FACTOR JOURNALS

In 2016, the original research of Baker Institute researchers was published in a range of international peer-reviewed journals, including:

PUBLICATION NAME	2015 IMPACT FACTOR
New England Journal of Medicine	59.558
The Lancet	44.002
Journal of the American College of Cardiology	17.759
Cell Metabolism	17.303
Circulation	17.202
Science Translational Medicine	16.264
American Journal of Respiratory and Critical Care Medicine	13.118
Journal of Clinical Investigation	12.575
Nature Communications	11.329
Genome Biology	11.313

A journal's Impact Factor measures the importance or rank of a journal. It indicates the number of times an average article in the journal is cited by other articles in a given year.



“

As a cancer patient and heart researcher, I am passionate about communicating the power of science and healthy lifestyles.”

Dr Francine Marques

National Heart Foundation Future Leader and Baker Fellow, Heart Failure Research Laboratory

Highlights: discovery

THE BEST RESEARCH PAPERS IN 2016

These papers demonstrate areas where scientific discoveries are likely to have a significant impact on health and medical research.

A transcatheter intracardiac shunt device for heart failure with preserved ejection fraction (REDUCE LAP-HF): a multicentre, open-label, single-arm, phase 1 trial

Hasenfuß G, Hayward C, Burkhoff D, Silvestry FE, McKenzie S, Gustafsson F, Malek F, Van der Heyden J, Lang I, Petrie MC, Cleland JG, Leon M, Kaye DM; REDUCE LAP-HF study investigators

Smad7 gene delivery prevents muscle wasting associated with cancer cachexia in mice

Winbanks CE, Murphy KT, Bernardo BC, Qian H, Liu Y, Sepulveda PV, Beyer C, Hagg A, Thomson RE, Chen JL, Walton KL, Loveland KL, McMullen JR, Rodgers BD, Harrison CA, Lynch GS, Gregorevic P

Plasma lipidomic profiles improve on traditional risk factors for the prediction of cardiovascular events in type 2 diabetes mellitus

Alshehry ZH, Mundra PA, Barlow CK, Mellett NA, Wong G, McConville MJ, Simes J, Tonkin AM, Sullivan DR, Barnes EH, Nestel PJ, Kingwell BA, Marre M, Neal B, Poulter NR, Rodgers A, Williams B, Zoungas S, Hillis GS, Chalmers J, Woodward M, Meikle PJ

Thrombus-targeted theranostic microbubbles: a new technology towards concurrent rapid ultrasound diagnosis and bleeding-free fibrinolytic treatment of thrombosis

Wang X, Gkanatsas Y, Palasubramaniam J, Hohmann JD, Chen YC, Lim B, Hagemeyer CE, Peter K

Differential effects of IL6 and activin A in the development of cancer-associated cachexia

Chen JL, Walton KL, Qian H, Colgan TD, Hagg A, Watt MJ, Harrison CA, Gregorevic P

Alcohol and atrial fibrillation: a sobering review

Voskoboinik A, Prabhu S, Ling LH, Kalman JM, Kistler PM

Age-specific trends from 2000–2011 in all-cause and cause-specific mortality in type 1 and type 2 diabetes: a cohort study of more than one million people

Harding JL, Shaw JE, Peeters A, Davidson S, Magliano DJ

Effect of aldosterone antagonism on exercise tolerance in heart failure with preserved ejection fraction

Kosmala W, Rojek A, Przewlocka-Kosmala M, Wright L, Mysiak A, Marwick TH

Contribution of orexin to the neurogenic hypertension in BPH/2J mice

Jackson KL, Dampney BW, Moretti JL, Stevenson ER, Davern PJ, Carrive P, Head GA

Cytomegalovirus restructures lipid rafts via a US28/CDC42-mediated pathway, enhancing cholesterol efflux from host cells

Low H, Mukhamedova N, Cui HL, McSharry BP, Avdic S, Hoang A, Ditiatkovski M, Liu Y, Fu Y, Meikle PJ, Blomberg M, Polyzos KA, Miller WE, Religa P, Bukrinsky M, Soderberg-Naucler C, Slobedman B, Sviridov D

The effect of treatment of obstructive sleep apnea on glycemic control in type 2 diabetes

Shaw JE, Punjabi NM, Naughton MT, Willes L, Bergenstal RM, Cistulli PA, Fulcher GR, Richards GN, Zimmet PZ

Set7 mediated interactions regulate transcriptional networks in embryonic stem cells

Tuano NK, Okabe J, Ziemann M, Cooper ME, El-Osta A





Study demonstrates how to prevent muscle wastage in cancer patients

Scientists from the Muscle Research and Therapeutics Laboratory have shown how to arrest the process of muscle wastage (cachexia) and frailty associated with advanced cancer. A difficult condition to treat, cachexia is often associated with the final stage of cancer, heart failure and kidney disease.

The study, published in *Science Translational Medicine* in July 2016, identified a gene therapy that blocks the protein (ActRIIB) that causes muscle wastage.

This groundbreaking discovery, led by Associate Professor Paul Gregorevic, could help prevent muscle wasting under conditions where excessive ActRIIB signaling occurs, such as cancer cachexia.



Researchers find link between alcohol consumption and atrial fibrillation

A study published in the *Journal of the American College of Cardiology* in December 2016 found that drinking even a moderate amount of alcohol may increase the risk of atrial fibrillation (AF), the most common type of irregular heartbeat.

The study, by cardiologist Professor Peter Kistler from the Baker Institute and The Alfred Hospital, found that even low to moderate levels of alcohol consumption show an increase in the incidence of atrial fibrillation. In fact, holiday heart syndrome remains a common emergency department presentation, with AF precipitated by alcohol in 35 to 62 per cent of cases.

The findings have informed Professor Kistler's next study, which will investigate if abstaining from alcohol benefits people with irregular heartbeats.

On average, an AF diagnosis occurs in a patient's 60s, with the condition the leading cause of stroke in older people. It is associated with a five-fold increased risk of stroke and heart failure, and a doubling of mortality.

Nucleus Network: a market leader in clinical trials

Nucleus Network is a subsidiary of the Baker Institute and is Australia's largest Phase 1 clinical trials facility. Established in 2003, the company has developed an international reputation for excellence.

The company is located in the Alfred Medical Research and Education Precinct in Melbourne, adjacent to the Baker Institute. The organisation's status allows the company to reinvest earnings into developing the clinical research industry and biotechnology sector in Australia.

Our Impact:

Nucleus Network conducted more than 50 Phase 1 clinical trials in 2016 for international pharmaceutical and biotechnology commercial partners. An expansion to 80 beds and the addition of an internal pharmacy is helping to further cement the status of Nucleus Network as the preferred Australian provider for large-scale, Phase 1 healthy-volunteer and first-in-human clinical trials. While the majority of commercial partners are from the US, Nucleus Network is also looking to expand its partner base, with a particular focus on China and South Korea in coming years.

DID YOU KNOW?

Approximately 20–25 Phase 1 clinical trials conducted each year are first-in-human studies. This is a critical step in ensuring the safety and efficacy of new therapeutics headed for the marketplace.

CONDUCTS ABOUT

50 

PHASE 1 TRIALS A YEAR

AUSTRALIA'S LARGEST
PROVIDER OF
PHASE 1 
CLINICAL TRIALS



“

I hope that molecular ultrasound imaging will one day be used in a clinical setting that enables on-the-spot diagnoses for people with cardiovascular disease.”

Dr Xiaowei Wang

Bright Sparks recipient, Atherothrombosis and Vascular Laboratory



“

When I had gestational diabetes, staff at the Baker Institute taught me how to make small but sustainable changes to improve my lifestyle.”

Chantal McCrae

Participant in the Women After Gestational Diabetes program

Diabetes clinics: a holistic approach

The Institute's specialist diabetes clinics, which provide diabetes services in Melbourne's inner south-east and west, have more than 5000 patients and, collectively, form one of the largest dedicated facilities of its kind in Australia. In addition, diabetes services are provided to communities in and around Alice Springs in Central Australia, and via a telehealth service in collaboration with the Royal Flying Doctor Service in Mildura.

Our Impact:

A Baker Institute study involving overweight adults with type 2 diabetes revealed that interrupting sitting with bouts of light exercise significantly reduced their risk of developing heart disease or stroke. Importantly, patients with type 2 diabetes who undertake frequent bouts of activity may derive even greater benefit from regular interruptions to their sitting, than do people without type 2 diabetes. The study was led by PhD student Paddy Dempsey from the Physical Activity Unit.

The findings of this pioneering study, published in *Diabetes Care* in April 2016, may offer a practical and cost-effective treatment option for those with type 2 diabetes.

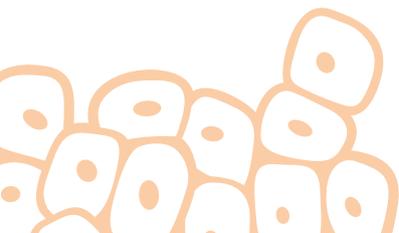
DID YOU KNOW?

Since the 1980s, the prevalence of diabetes in Australia has doubled. In 2014–15, 1.2 million Australians had some type of diabetes. For every four people with diabetes in Australia, there is one person who is unaware that they have the disease.

280 AUSTRALIANS
DEVELOP DIABETES
EVERY DAY
THAT'S ONE PERSON EVERY
5 MINUTES 

**TYPE 1 DIABETES
ACCOUNTS FOR
10%** OF ALL DIABETES
AND ITS PREVALENCE
IS INCREASING

**TYPE 2 DIABETES
ACCOUNTS FOR
85%** OF ALL DIABETES
AND ITS PREVALENCE
IS INCREASING



Cardiovascular clinics: healthy hearts for all Australians

Thanks to the generosity of Dina and Mark Munzer, the Institute offers a free service to the community through the Healthy Hearts Clinic, helping individuals and families identify and address their risk of developing cardiovascular disease.

The Institute also provides specialist cardiovascular clinics run by leading health professionals that deliver the most advanced therapies to patients using the latest diagnostic technology.

Our Impact:

In 2016, the Institute developed a report into the state of cardiovascular disease in Australia. The report, titled *Change of Heart: Time to End Cardiovascular Complacency*, was launched at Parliament House, Canberra.

The report found:

- CVD remains Australia's biggest killer and the most costly disease group in the country.
- In the next 15 years, atrial fibrillation (irregular heartbeat) is projected to increase by 60 per cent.
- Too many Australians with risk factors for cardiovascular disease, such as high blood pressure, cholesterol and type 2 diabetes, remain untreated or not treated adequately.
- Growing rates of 'diabesity' and public complacency could undermine half a century of achievements in cardiovascular health.

The report calls for cardiovascular health to be prioritised among the community, health professionals and governments.

CARDIOVASCULAR DISEASE
AFFECTS MORE THAN

3.7 

MILLION PEOPLE
IN AUSTRALIA

1 LIFE LOST 
EVERY 12
MINUTES FROM
CARDIOVASCULAR DISEASE

\$7.6 BILLION
CARDIOVASCULAR DISEASE
IS THE MOST
EXPENSIVE 
DISEASE GROUP



“

I have met some of the researchers at the Baker Institute and I have been able to see first-hand the life-saving work they do.”

Andrew Luedecke
Diagnosed with atrial fibrillation



“

Too many Aboriginal people are living in poverty and are exposed to unacceptable health risks. The work we do in Central Australia helps to alleviate the pressure on the health system and increase people’s health literacy and strategies for managing chronic and infectious diseases.”

Ricky Mentha

Indigenous Research Fellow, pictured with his daughter, Lillian

Aboriginal health: working to reduce disadvantage

The Institute has had a strong focus on Aboriginal health for nearly ten years, with a dedicated research facility opened in Alice Springs in 2007.

A growing team of researchers in Central Australia and across the country has forged important partnerships and collaborations to help address the profound disadvantage experienced by Aboriginal people through scientific research that is rigorous, culturally appropriate and ethically sound.

Our Impact:

The Baker Institute released a landmark report that found that nearly one in five Aboriginal children in Western Australia under 16 years of age were unregistered at birth – which effectively left thousands of Aboriginal children without an official identity.

The report, which was published in the *Australian and New Zealand Journal of Public Health* in 2016, linked birth records from the Western Australia Registry of Births, Deaths and Marriages to births recorded in the state's Midwives Notification System, and revealed that 18 per cent of Aboriginal births to Aboriginal mothers weren't recorded in the Registry in the 16 years from 1996 to 2012.

This presents these young people with practical impediments to pursuing a healthy and successful life. It has significant implications for mental health and future life trajectories.

It is hoped that the results of this study will encourage policy-makers and relevant organisations to address this problem, to ensure equal rights and access to services for Aboriginal children.

It is important to get these social circumstances right before other areas of significant disadvantage for Aboriginal Australians can be tackled, such as the extremely high rates of chronic disease.

DID YOU KNOW?

For most Australians, a birth certificate is the first documentary evidence of identity. Proof of identity and Australian citizenship are essential for many rights, including the right to obtain a passport and a driver's licence, and to open bank accounts.

DIABETES
WILL AFFECT ABOUT
ONE IN 
THREE
ABORIGINAL AND
TORRES STRAIT
ISLANDER PEOPLE

ABORIGINAL PEOPLE HAVE
THREE 
TIMES
THE RISK OF A MAJOR
CORONARY EVENT
COMPARED WITH NON-INDIGENOUS
AUSTRALIANS

From ideas to innovation

The commercialisation of medical research is an important pathway for translating scientific discoveries into drugs and devices that benefit people. The Institute's commercialisation team provides support to clinical and research staff in collaboration with academic, industry and government partners for the purpose of taking discoveries from benchtop to bedside.

Our Impact:

Our cardiovascular researchers developed a diagnostic tool to detect fatty deposits that help to anticipate and prevent recurrent heart attacks.

Professor Karlheinz Peter, head of the Atherothrombosis and Vascular Laboratory, developed a highly sensitive catheter to identify fatty deposits (plaque) inside the arteries.

In 2016, the Institute licensed this technology to personalised medicine company, Clarity Pharmaceuticals. A grant from the European Union and the Belgium Government will fund the development of the technology, called PlateView™.

This technology has the potential to save tens of thousands of lives in Australia – and even more around the world.

IN 2016

- Baker Institute scientists travelled to Israel to explore research and investment opportunities and to learn more about Israel's expertise in commercialisation.
- The Institute established a Seed Fund to translate Institute research into products, services or practices that improve healthcare.
- The Institute introduced a training program for our early-career scientists to identify and translate commercial opportunities for research.

DID YOU KNOW?

Atherosclerosis is a slow-developing disease whereby fats are deposited on the inner lining of the arteries and form plaques. These plaques can lead to a blockage in the vessel and a critical reduction of blood supply to the heart muscle (causing angina or heart attack) or to the brain (causing stroke).

THERE ARE OVER
17.5 
**MILLION PEOPLE
GLOBALLY WHO DIE
EACH YEAR FROM
CARDIOVASCULAR DISEASE**

**CARDIOVASCULAR
DISEASE IS THE CAUSE
OF AN ESTIMATED
31%** 
DEATHS WORLDWIDE





“

My research focus is the development of new and innovative approaches to prevent heart attacks and their often deadly consequences.”

Professor Karlheinz Peter
Head of the Atherothrombosis and Vascular Laboratory



“

Taking part in a groundbreaking study through the Baker Institute has helped me keep positive and focused on my goals for my life after treatment.”

Holly Austin

Breast cancer survivor and heart research participant

In the community

To ensure our work remains relevant to the community, our research reflects a strong focus on collaboration and translation, tackling big-picture health problems and working with our generous community, industry, corporate and government supporters to drive better health.

Our Impact:

We continue to look to philanthropic funding to help us combat cardiovascular disease, diabetes, obesity and dementia so we can find new and better ways to predict, diagnose and treat these diseases.

In 2016, our generous supporters donated more than \$13.4 million in philanthropic funds. We are proud to have grown our donor base and community support to more than 48,000 supporters, increasing our generous supporter base by 10 per cent year on year.

Philanthropic and corporate support contributed significantly to Institute priorities, including provision of fellowships to early-career and mid-career scientists, scholarships for PhD students, seed grants for novel and innovative research and project grants for promising research expected to change the future of heart health in Australia.

DID YOU KNOW?

In 2016, we were thrilled to be listed as one of the Westpac 200 Businesses of Tomorrow. Our inclusion in this prestigious list demonstrates our clear vision and track record of results, as well as the capability to meet Australia's current health challenges and to make a valuable contribution to our community, industry and economy.

10% 
**SUPPORTER
BASE INCREASE
FROM PREVIOUS YEAR**

**MORE THAN
48,000
SUPPORTERS**

 **13.4
MILLION
DONATED IN 2016**

Philanthropy across the generations

For over 60 years, the John T Reid Charitable Trusts has been a leading philanthropic force in Australia, committed to intellectual and artistic life, and improving the welfare of the community.

The Baker Institute is grateful for the long-standing support of the Trusts over three generations.

The founder of the Trusts, Sir John Reid, had a strong relationship with the Baker Institute, serving as a member on an advisory committee for the Baker Trust from 1962 until 1984. His daughter, Margaret Ross AM, was a Baker Institute board member from 1990 until 2001 and is a current Life Governor of the Institute. Sir John's granddaughter, Belinda Lawson, leads the John T Reid Charitable Trusts, which last year approved a 60th Anniversary Grant towards an Aboriginal Health childhood pilot study at the Baker Institute.

Sir John saw the health of Australians as a high priority and considered medical research intrinsic to providing the best standard in healthcare. His interest in medical research has been carried on by the trustees over the decades, enabling research discoveries that have changed people's lives.

The disadvantage experienced by Aboriginal and Torres Strait Islander people is one of Australia's most enduring social and health divides. In recent years, the Trusts have focused on the health conditions – heart disease, diabetes, kidney disease and related conditions – devastating Indigenous communities.

In 2010, the Trusts made a transformative contribution to the Baker Institute's Aboriginal Health program in Central Australia. Their support enabled the development of local cultural leaders and attracted outstanding research leaders through the Margaret Ross Chair of Indigenous Health.

Thanks to the Trusts' major support, the Baker Institute's capacity in Central Australia has grown to a team of 30, enabling Institute staff to partner with local Aboriginal-controlled health organisations, inform government health and social policy, develop best-practice clinical guidelines, provide specialist diabetes care to remote communities, facilitate chronic-disease training programs and develop credible health information for the local community.

The Baker Institute and the John T Reid Charitable Trusts continue to partner together to make a positive impact on the health of Indigenous Australians. The trustees are confident that the original vision of the founder will remain at the heart of the work of the Trusts.

THE SIZE OF THE HEALTH GAP COMPARED WITH NON-INDIGENOUS PEOPLE.

INDIGENOUS AUSTRALIANS HAVE A LOWER LIFE EXPECTANCY

10.6 YEARS 
FOR MALES

9.5 YEARS 
FOR FEMALES

5 TIMES 
AS LIKELY TO HAVE END-STAGE
KIDNEY DISEASE

2 TIMES 
AS LIKELY TO HAVE CORONARY
HEART DISEASE



The John T Reid Charitable Trusts and Baker Heart and Diabetes Institute partner together to make a positive impact on the health of Indigenous Australians.

Professor Sandra Eades (left) with Chairman, Ms Belinda Lawson, John T Reid Charitable Trusts.



Supporters and acknowledgements

We are extremely grateful for the commitment and support we receive from individual members of the community as well as philanthropic trusts and foundations, industry and government.

Thank you to all who are helping to secure a healthier future for Australia.

MAJOR INSTITUTIONAL SUPPORT

CASS Foundation
2016 *Change of Heart* report

- Amgen Australia
- Merck Sharp & Dohme Australia
- Pfizer Australia
- Sanofi Australia

Commonwealth Department of Health
Diabetes Australia Research Trust
Federal Government of Australia

- Australian Research Council
- National Health & Medical Research Council

FSHD Global Research Foundation
Juvenile Diabetes Research Foundation Australia
Juvenile Diabetes Research Foundation International
National Institutes of Health (USA)
National Heart Foundation
Partnership for Clean Competition
Victorian Government

- Department of Health and Human Services (Infrastructure funding)

MAJOR GIFTS (\$10K+)

Anonymous
Mrs Rosetta & Mr Alan Bloom
Filippo & Maria Casella
Mr Stephen Cook
Mrs Jean E Drury
Mrs J D O Enden
Miss Thelma Handreck
In memory of Izzy Herzog AM
Mrs Anne King & Mr Beresford King OAM
Lynton & Susan Morgan
Mr Philip & Mrs Sylvia Munz
Dina & Mark Munzer
Mr Dennis & Mrs Fairlie Nassau
Norman J O'Bryan AM SC
Family of George R. Peggie
Mr Lindsay Maxsted
Gordon Moffatt AM
The MFCo Ltd.
Mr Frank Robertson
Kay Ronec
Margaret S Ross AM
Peter & Anna Scott
Mr Tony & Mrs Kitty Stewart
Ms Jenny Tatchell
Dr David & Mrs Lisa Thurin

TRUSTS & FOUNDATIONS (\$20K+) & PRIVATE TRUSTS (\$10K+)

Anonymous
The Baker Foundation
The Calvert-Jones Foundation
The Cybec Foundation
The Eva & Les Erdi Humanitarian Charitable Foundation
The Isabel & John Gilbertson Charitable Trust
GRAS Foundation
Ernest Heine Family Foundation
Harold Mitchell Foundation
Mason Foundation
The Miller Foundation
Naphtali Family Foundation
Portland House Foundation
The Ian Potter Foundation
Prescott Family Foundation
Randall Foundation
Shepherd Foundation
Sir Edward Dunlop Medical Research Foundation
Victorian Lions Foundation Inc.
Vodafone Foundation Australia
The G W Vowell Foundation Ltd
Joe White Bequest
Alan Williams Trust Fund



PARTNERSHIPS (\$20K+)

Advantage Salary Packaging
AstraZeneca Australia
AstraZeneca
Bakers Delight Holdings Ltd
Blue Illusion
The Boehringer Ingelheim and Eli Lilly
Diabetes Alliance
MSD
Novo Nordisk A/S
The Reece Group
Sanofi Diabetes & Cardiovascular
United Laboratories, Inc./LRI-
Therapharma

BEQUESTS IN PERPETUITY (\$20K+)

Hazel & Pip Appel Fund
Bell Charitable Fund Pty Ltd
Lorene Estelle Demmer & Hugh
Eardley Demmer Charitable Trust
Lesley Dickson Charitable Endowment
Joanna & Lyonel Middows Research
Foundation
M A & V L Perry Foundation
Estate E E E Stewart

BEQUESTS (\$20K+)

Estate Dudley Barton Adams
Estate Tema Alexander
Estate Ida Joyce Bourke
Estate Thomas Corbett
Estate William Albert Delalande
Estate Daryl Giles Howard
Estate Jennifer Korner
Estate Belinda Jane Peck
Estate of Anneliese Sentef
Estate Colin Frank Such
Estate Barbara Frances Sutton
Estate Harold Thomas Swanton
Estate G Lawry Watson
Estate John Keith Williams

ENDOWMENTS

Ethel Mary Baillieu Memorial Trust
Bertalli Family Scholarship
Noel Dickson Scholarship
Sylvia Winifred & John Eastment
Endowment
Robbie Eisner Scholarship
Lang Research Scholarship
Edgar Rouse Memorial Fellowship
The Anne & Eric Smorgon Memorial
Award
Ruby Wallace Travel Scholarship
Sir Laurence Muir Medal

COMMUNITY SUPPORT (\$20K+)

Friends of Baker Committee
Mr Richard & Bernadette Brodribb
Mr Stephen Cook
Mr Robert & Mrs Jan Lyng
Mrs Vivienne Ritchie
Mr Richard & Mrs Jan Santo

AMBASSADORS

Matt Keenan
Mike McKay



Board of directors



CHAIRMAN

PETER SCOTT 1

Peter Scott is a Deputy Chairman of Gresham Advisory Partners and has more than 30 years' experience in providing financial advice to large Australian companies and governments. He was a member of the Australian Takeovers Panel from 2002 to 2014 and the New Zealand Takeovers Panel from 2008 to 2014. He is a director of the Association of Australian Medical Research Institutes (AAMRI), and served as Chairman of the Medical Research Future Action Group.

TREASURER

LINDSAY MAXSTED 2

Lindsay Maxsted is the Chairman of Westpac Banking Corporation and Transurban Group, a director of BHP Billiton Limited and BHP Billiton plc and is the Managing Director of Align Capital Pty Ltd. He was the CEO of KPMG from 2001 to 2007.

EXECUTIVE DIRECTOR

PROFESSOR TOM MARWICK 3

Tom Marwick is the Director and Chief Executive Officer of the Institute. He is a practising cardiologist, and prior to joining the Baker Institute, he was the Director at Menzies Institute for Medical Research, University of Tasmania, and continues to hold an Adjunct Professorship there. Tom has also worked as the Head of Cardiovascular Imaging at Cleveland Clinic in the US.

NON-EXECUTIVE DIRECTOR (APPOINTED 23 AUGUST 2016)

DR ANDREA DOUGLAS 4

Andrea Douglas is the Vice President, R&D Strategy and External Affairs at CSL Limited in Melbourne. She has held various roles at CSL since 2005. Prior to this, she was the CEO of the Gene CRC. She also held a senior research role at Walter and Eliza Hall Institute. Andrea has been a director of AusBiotech since 2013.

NON-EXECUTIVE DIRECTOR (APPOINTED 27 OCTOBER 2016)

PROFESSOR SIMON FOOTE 5

Simon Foote is Director of the John Curtin School of Medical Research at the Australian National University. He has been Dean of the School of Medicine at Macquarie University, Director of the Menzies Research Institute at the University of Tasmania and Divisional Head at the Walter and Eliza Hall Institute. He is a Fellow of the Australian Academy of Science, the Academy of Technological Science and Engineering, and Director, Fellow and Council Member of the Australian Academy of Health and Medical Research.

NON-EXECUTIVE DIRECTOR (RESIGNED 28 APRIL 2017)

DAVID GILMOUR 6

David Gilmour is a private investor and company director. He is Managing Director and owner of Untapped Fine Wines, Australia's largest importer of fine wines from South America and Spain. Prior to this, he was Managing Director and Owner of Ansett Aviation Training. He also worked as a management consultant for 15 years, initially with McKinsey & Company, and then five years as a partner with the Boston Consulting Group.

NON-EXECUTIVE DIRECTOR

KATE METCALF 7

Kate Metcalf is a senior solicitor operating her own legal practice and is also a sessional Member at the Victorian Civil and Administrative Tribunal. She is a Trustee of the Baker Foundation and a Director of Boroondara Aged Services Society, BASS Care. She has previously held positions as the Legal Director Asia, General Counsel Australia and New Zealand, Director and Company Secretary of Carestream Health Australia Pty Ltd; and Senior Counsel and Company Secretary, Kodak (Australasia) Pty Ltd.



NON-EXECUTIVE DIRECTOR (RESIGNED 3 MARCH 2017)

PROFESSOR CHRISTINA MITCHELL ⁷

Christina Mitchell is the Academic Vice-President and Dean of the Faculty of Medicine, Nursing and Health Sciences at Monash University. In 2011, she became the first woman to be appointed Dean of Medicine in any of the Group of Eight Universities in Australia. She is a member of the Australian Academy of Health and Medical Sciences.

NON-EXECUTIVE DIRECTOR

ROBERT NICHOLSON ⁸

Robert Nicholson is a senior partner of Herbert Smith Freehills, practising in a wide range of corporate transactions. Robert was a member of the Freehills board between 2000 and 2011 and was Chairman of that board between 2008 and 2011. He also serves as Chairman of Nucleus Network Limited and is a director of Landcare Australia Limited.

NON-EXECUTIVE DIRECTOR

CHRISTINE O'REILLY ⁹

Christine O'Reilly is a director of CSL Limited, Transurban Group, Medibank and Energy Australia, and a member of the Loreto Mandeville Hall Finance Committee. She was formerly co-head of Unlisted Infrastructure at Colonial First State Global Asset Management from 2007 to 2012 and, prior to that, CEO of Gasnet.

NON-EXECUTIVE DIRECTOR

IAN SMITH ¹⁰

Ian Smith is co-owner of Bespoke Approach, a corporate and political advisory firm. He is Honorary British Consul in Adelaide, a Director of the East Arnhem Regional Economic Development Corporation and a board member of the Committee for Adelaide. He chairs Barefoot To Boots, which provides support for refugees in camps overseas. He is also an Ambassador for ENUF, a campaign to reduce stigma and support people living with HIV/AIDS, and an Ambassador for The Orangutan Project.

NON-EXECUTIVE DIRECTOR

DR DAVID THURIN ¹¹

David Thurin is the Managing Director and owner of Tigcorp, a privately owned company that owns, develops and manages retirement communities, has interests in land subdivision and an investment arm focused on listed investments and private equity. David was previously the joint Managing Director of the Gandel Group of Companies and Chairman of the International Diabetes Institute. He is currently a director of Vicinity Centres and a director of the Melbourne Football Club.

NON-EXECUTIVE DIRECTOR (RESIGNED 13 FEBRUARY 2017)

PROFESSOR ANDREW WAY ¹²

Andrew Way has been the CEO of Alfred Health since 2009. He led the development of Victoria's first Academic Health Science Centre – Monash Partners, now an accredited NHMRC Advanced Health and Research Translation Centre. Andrew was appointed as an Adjunct Clinical Professor in the School of Public Health and Preventative Medicine, Monash University, in 2015. Prior to his relocation to Melbourne in 2009, Andrew had an extensive career in the NHS in the UK, latterly as CEO of the Royal Free Hampstead NHS Trust.

THE BAKER INSTITUTE COMPANY SECRETARIES ARE DAVID LLOYD (DEPUTY DIRECTOR AND CHIEF OPERATING OFFICER) AND JACQUELINE GOODALL (GENERAL COUNSEL).

Financial highlights

Our donors and corporate sponsors not only continued their support of the Institute, but increased it in 2016 through their generous contributions to our appeals, regular giving program, major gifts, trusts and foundations, bequest program, sponsorships and corporate philanthropy. In an environment of constrained funding, this strong support is critical in pursuing our mission.

We received over \$13.4 million from individuals and organisations across Australia to support our research. Without their contribution much of what we do could not be achieved and we are extremely grateful for their ongoing support.

We would particularly like to acknowledge the Ernest Heine Family Foundation for their support in the form of a \$5 million grant over five years to drive our research programs. It is in these research areas that we believe we can have the biggest impact on the future health of all Australians.

The Baker Foundation continues to be a major supporter of the Institute, gifting \$2.1 million in 2016 to support our research. In addition, the Foundation has established three Alice Baker and Eleanor Shaw Gender Equity Fellowships. The inaugural Fellowship, which recognises outstanding women in science, was awarded to Dr Bianca Bernardo who is looking at new therapies to treat heart failure. We are deeply thankful for this support.

The Ian Potter Foundation once again showed their understanding of the need for better outcomes in disadvantaged communities with a donation of \$200,000 to purchase a portable echocardiography machine to assist Professor Tom Marwick to detect and prevent heart failure.

The Casella Family's ongoing support and friendship is so important to us. Their support in 2016 allowed us to fund an important seed grant for Associate Professor Rebecca Ritchie to further develop a pioneering treatment for people who suffer a heart attack.

Long-term supporters, the Miller Family Foundation, gave a significant donation to support our early career researchers in the form of a fellowship, travel awards and a project grant for our best and brightest future scientific leaders.

Significant support from Melbourne's Jewish community resulted in the funding of our annual mission to Israel where we are building important research collaborations, with special thanks to Moniton Pty Ltd for their particularly generous support.

The Institute received a significant gift of \$5 million from Nucleus Network – a wholly owned subsidiary of the Institute and Australia's largest provider of Phase 1 clinical trials. We would like to acknowledge everyone at Nucleus Network for their outstanding results.

In 2016, the Institute received \$6.15 million towards indirect research costs through Victorian and Federal Government programs. This represented a slight decrease from the \$6.87 million received in 2015.

Operational Infrastructure Support (OIS) dropped 5.6 per cent from 2015, however, there was good news in the Victorian Budget with the government committing to increase OIS funding by 25 per cent in the 2017/18 budget. The OIS program provides essential funding towards indirect costs that are not provided by competitive grants, including infrastructure, commercialisation and clinical development of our research. We thank the Victorian Government for supporting innovative research that will result in better health outcomes for Victorians and those around the world.

The Institute is also grateful to the Federal Government for its support of the indirect costs of grant-funded research. Through the Federal Government's Independent Research Institute Infrastructure Support Scheme (IRIIS), it contributed \$2.91 million. This represents a decrease of 15.5 per cent from the previous year.

The Institute received \$18 million in 2016 from National Health and Medical Research Council (NHMRC) grants. When it comes to NHMRC Project Grants, the primary funding scheme for health and medical research, the Institute had its best year since 2011, with \$12.76 million secured.

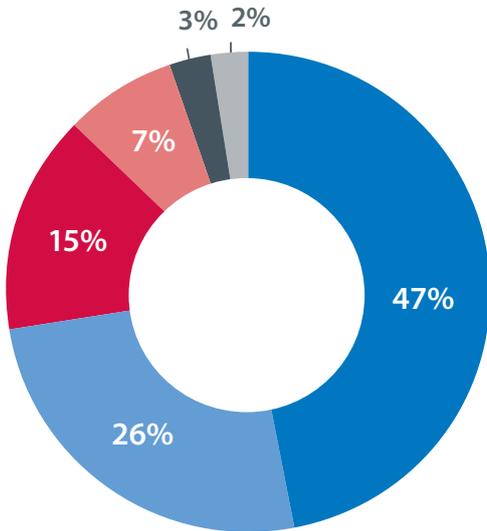
The Institute is also looking forward to the Federal Government's Medical Research Future Fund being fully funded to \$20 billion by 2021, and we hope the Fund will be a strong supporter of research to tackle the biggest killers in our community, cardiovascular disease and diabetes.

The Institute is indebted to The Baker Foundation for over 90 years of support – together our impact in advancing healthcare has helped millions of people in Australia and abroad.



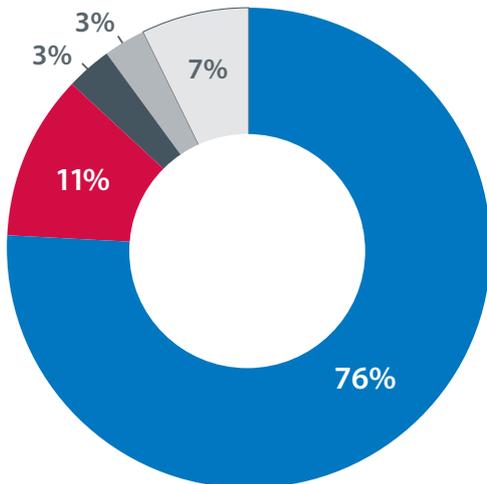
Financial performance at a glance

CONSOLIDATED REVENUE



Service and clinical income	\$38,468,793
Competitive grants	\$20,931,447
Fundraising, including bequests	\$12,179,913
Government support	\$6,150,715
Other income	\$2,263,057
Investment income	\$1,888,071
TOTAL REVENUE	\$81,881,996

CONSOLIDATED EXPENDITURE



Research and laboratory expenditure	\$58,325,369
Administration	\$8,317,411
Building costs	\$2,500,530
Business development	\$2,487,297
Depreciation/amortisation	\$5,008,478
TOTAL EXPENDITURE	\$76,639,085

Financial statements

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	CONSOLIDATED		PARENT	
	2016 (\$)	2015 (\$)	2016 (\$)	2015 (\$)
ASSETS				
Current assets				
Cash and short-term deposits	24,585,700	17,975,608	20,806,898	15,765,930
Trade and other receivables	8,783,707	8,585,111	2,016,633	2,459,283
Right to occupy	507,619	507,619	507,619	507,619
Prepayments	493,729	327,780	325,545	247,905
Other current financial assets	–	4,197	–	4,197
Total current assets	34,370,755	27,400,315	23,656,695	18,984,934
Non-current assets				
Property, plant and equipment	47,726,304	47,644,923	43,983,599	46,792,723
Right to occupy	6,687,745	7,195,364	6,687,745	7,195,364
Intangible assets	31,746	91,648	31,746	91,648
Investment in an associate	3,404,109	3,678,986	2,015,001	2,265,001
Available-for-sale financial assets	23,418,155	23,341,819	23,366,074	23,289,738
Total non-current assets	81,268,059	81,952,740	76,084,165	79,634,474
TOTAL ASSETS	115,638,814	109,353,055	99,740,860	98,619,408
LIABILITIES				
Current liabilities				
Trade and other payables	8,644,608	8,192,255	4,600,043	5,442,922
Unearned income	9,177,727	9,074,834	9,042,307	8,796,318
Provisions	6,986,896	6,945,279	6,158,506	6,300,725
Total current liabilities	24,809,231	24,212,368	19,800,856	20,539,965
Non-current liabilities				
Provisions	1,326,005	1,537,436	1,249,304	1,444,349
Total non-current liabilities	1,326,005	1,537,436	1,249,304	1,444,349
TOTAL LIABILITIES	26,135,236	25,749,804	21,050,160	21,984,314
NET ASSETS	89,503,578	83,603,251	78,690,700	76,635,094

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016 (CONTINUED)

	CONSOLIDATED		PARENT	
	2016 (\$)	2015 (\$)	2016 (\$)	2015 (\$)
EQUITY				
Equity attributable to equity holders of the parent				
Restructure reserve	–	–	5,578,233	5,578,233
Retained earnings	86,566,301	81,323,390	70,175,190	68,777,000
Available-for-sale reserve	2,937,277	2,279,861	2,937,277	2,279,861
TOTAL EQUITY	89,503,578	83,603,251	78,690,700	76,635,094

The Statement of Financial Position and Statement of Comprehensive Income provided on pages 32–34 have been extracted from the audited general purpose financial statements of Baker Heart and Diabetes Institute and its controlled entities. The summary financial information does not include all the information and notes normally included in a statutory financial report.

The statutory financial report (from which the summary financial information has been extracted) has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012 and Regulations 2013*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.



Financial statements

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	CONSOLIDATED		PARENT	
	2016 (\$)	2015 (\$)	2016 (\$)	2015 (\$)
CONTINUING OPERATIONS				
Grants supporting research activities	20,931,447	23,455,279	20,931,447	23,455,279
Infrastructure funding	6,150,715	6,876,789	6,150,715	6,876,789
Fundraising, corporate and private support	12,179,914	12,043,034	17,179,914	16,043,034
Service and clinical income	38,468,791	28,238,396	5,846,636	4,758,222
Investment income	1,888,072	2,873,226	1,804,368	2,783,092
Other revenue	2,263,057	2,092,518	3,065,644	2,924,367
Revenue	81,881,996	75,579,242	54,978,724	56,840,783
Employee benefits expense	42,157,399	42,458,450	31,580,137	34,057,800
Research, service and clinical expense	19,538,269	14,043,224	9,339,913	8,392,806
Depreciation and amortisation expense	5,008,478	4,611,322	4,478,662	4,279,771
Share of (profit)/loss of associate	24,877	(121,584)	-	-
Impairment of available-for-sale financial assets	114,561	836,157	114,561	836,157
Impairment of fixed assets	26,121	-	26,121	-
Loss on disposal of assets	10,130	45,195	10,130	-
Building overheads	1,216,299	1,398,565	1,056,427	1,227,130
Borrowing costs expense	-	56	-	-
Laboratory support expense	2,167,728	1,899,502	2,167,728	1,899,502
Donor acquisition expense	1,603,452	1,242,469	1,603,452	1,242,469
Other expenses from ordinary activities	4,771,771	4,495,292	3,203,403	2,970,376
Expenditure	76,639,085	70,908,648	53,580,534	54,906,011
Surplus before tax	5,242,911	4,670,594	1,398,190	1,934,772
Income tax expense	-	-	-	-
SURPLUS FOR THE YEAR	5,242,911	4,670,594	1,398,190	21,984,314
Other comprehensive income				
Net gain/(loss) on available-for-sale financial assets	657,416	(907,613)	657,416	(907,613)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	5,900,327	3,762,981	2,055,606	1,027,159
Total comprehensive income attributable to:				
MEMBERS OF THE PARENT	5,900,327	3,762,981	2,055,606	1,027,159



“

I think there is so much need for medical research into heart disease and diabetes, especially because these chronic diseases cause the highest number of deaths in the global community.”

Jaan Enden
Confirmed Bequestor



“

Medical research is not just important to enable good health outcomes today. It's for all of our children, for our grandchildren and their children and the generations to follow.”

Rick Talbot

Heart attack survivor, pictured with his granddaughter, Laura

How you can support us

Help us fight cardiovascular disease, diabetes, obesity. There are many ways you can be part of the solution.



Make a financial gift and directly support our life-saving work



Leave a gift in your Will to create a lasting legacy



Become a corporate partner



Attend an event or host your own to support the Baker Institute

For more information or to make a gift today, please visit baker.edu.au or free call **1800 827 040**.

If you would like to hear more about our projects or funding opportunities, please contact Jaclyn Moore, Executive General Manager, Community and Corporate Relations, on **03 8532 1529**.

Baker Heart and Diabetes Institute

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F +61 3 8532 1100

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Vic 3004 Australia

Alice Springs

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