

## Chairman's Report 2003



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

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

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

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

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

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

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

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

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

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



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



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

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

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