Cancer Institute NSW

ANNUAL REPORT 2008

Five years of curing cancer in NSW

The NSW Government agency dedicated to the control and cure of cancer through prevention, detection, innovation, research and information.

NSW Government

cancer institute NSW

Cover shot:

Professor John Thompson, Professor of Surgery (Melanoma and Surgical Oncology) at the University of Sydney and Director of the Sydney Melanoma Unit and the Melanoma Foundation.

"I would like to improve cancer control by persuading people to avoid activities that are known to be associated with cancer development, such as smoking and sunbathing."

Professor John Thompson has received many accolades during his career as a skin cancer specialist, so it's hard to believe that, after training as a vascular and transplant surgeon, he started working in cancer care by accident.

"When Professor Gerald Milton, then head of the Sydney Melanoma Unit, became ill in 1984, I was asked by his associate Professor Bill McCarthy to help out 'for a few weeks'. I then set up an isolated limb perfusion programme for melanoma patients," he says. "My clinical and research interests in melanoma grew steadily and, after eight years of 'helping out', I moved to a full time clinical academic position with the Sydney Melanoma Unit."

Professor Thompson is now executive director of the Sydney Melanoma Unit; a role that saw him starring in a recent Federal Government advertising campaign that followed a real-life melanoma patient into surgery. The ad ran concurrently with the Cancer Institute NSW's *Dark Side of Tanning* campaign and reinforced the message that there is nothing healthy about a tan.

"The feedback that has been received indicates that the Cancer Institute NSW advertisements, designed to discourage people from tanning, have been highly effective. These have been complemented very nicely by the Federal Government's advertising campaign," he says.

Professor Thompson has worked closely with the Cancer Institute NSW to improve the treatment of skin cancer in NSW. "The Sydney Melanoma Unit has been fortunate to obtain a number of grants from the Cancer Institute NSW to support research fellows, data managers, clinical trials nurses, translational research and specific research programs," he says. "Without these grants, it would have been much harder for us to conduct the research that has made the Sydney Melanoma Unit one of the most respected and well-known melanoma research and treatment centres in the world. More importantly, it has brought us closer to being able to successfully treat this disease."

About this report

This annual report summarises our performance for 2007–08 against our objectives and targets set out in the *NSW Cancer Plan 2007–10*. It also includes our corporate governance processes, comments on our financial results and discusses the year ahead.

This and past annual reports can be accessed on our website www.cancerinstitute.org.au. Hard copies are available on request.

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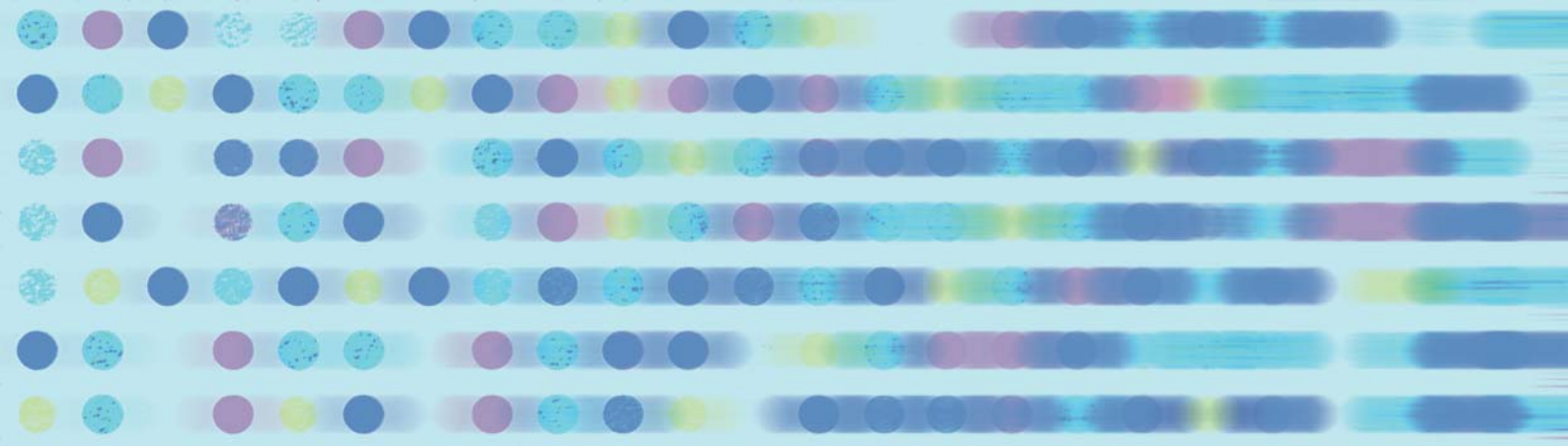


The highs and lows of 2007–08

HIGHS

The NSW Government committed to spending $192 million over four years to prevent lifestyle-related cancers and to drive new discoveries in cancer research (page 7).

We have introduced digital mammography machines at 14 fixed sites and three mobile vans (page 21).

We conducted the first cancer patient experience survey in NSW (page 26).

Fruit and confectionery flavoured cigarettes were banned from sale in NSW (page 18).

The NSW Government announced a consultation process on proposed new measures to protect NSW children from tobacco-related harm (page 18).

We provided funding for 142 clinical positions (page 25).

We published 18 monographs and reports about cancer in NSW (page 7).

We won a tender to run the NSW Clinical Trials Business Development Centre (page 7).

LOWS

We had a high turnover of staff, including a number at executive level (page 7).

Five years of curing cancer in NSW

About the Cancer Institute NSW

Who we are and what we do

The Cancer Institute NSW is Australia's first statewide, government-supported cancer control agency.

We were established five years ago by the NSW Government and supported unanimously by the NSW Parliament under the *Cancer Institute (NSW) Act 2003*.

We are committed to curing cancer in NSW through promoting the best cancer research, prevention, early-detection, treatment and education initiatives.

Our vision is to substantially improve cancer control and cure in NSW by:

- reducing the incidence of cancer in the community
- increasing the survival rate of cancer patients
- improving quality of life for cancer patients and their carers
- operating as a source of expertise on cancer control for the government's health service providers, medical researchers and the general community.

Our vision is to control and cure cancer in NSW

The cancer problem

Cancer touches us all. The current lifetime risk of being diagnosed with cancer in NSW is one in two for men and one in three for women.

Cancer is now the largest single cause of disease in Australia, surpassing cardiovascular disease. In 2005, more than 34,000 people were diagnosed with cancer in NSW. Based on current trends, there is projected to be over 30 per cent more cases of cancer in the next 10 years than there were in the last.

A cure for cancer has never been more relevant or more important to the people of NSW than it is today.

How we control and cure cancer in NSW

In 2006, the Cancer Institute NSW released the *NSW Cancer Plan 2007–2010*: a blueprint to assist all people who are working to help lift the cancer burden in NSW. From the *Cancer Plan*, our priorities of cancer control in NSW are:

- preventing cancer
- detecting cancer early
- improving cancer services
- accelerating improvement through cancer research
- providing relevant cancer data and information.

This report details our achievements and progress in the control of cancer and our goal to find a cure for the many cancers that affect the NSW community.

JUNE 2003	JULY 2003	2004	2006	2007	2008
NSW Parliament unanimously passes the *Cancer Institute (NSW) Act 2003*.	The Cancer Institute NSW is established as a response to the Act and the need to further decrease the devastating impact of cancer in NSW.	We create Australia's first state cancer plan, the *NSW Cancer Plan 2004–06*.	The first cancer plan is successfully completed and delivers major improvements in reducing smoking rates; improving screening services; providing new staff and technology in hospitals; and increasing cancer research.	We release the *NSW Cancer Plan 2007–2010*.	The Cancer Institute NSW has been controlling and curing cancer in NSW for five years. We set up the NSW Clinical Trials Business Development Centre.

Key challenges and trends

The number of cases of cancer is increasing as our population ages and grows, with cancer the largest cause of premature death in our community.

Cancer incidence rates are expected to increase and mortality rates to decrease by 2011. As the risk of cancer increases with age, there is expected to be a proportionately greater number of new cases due to the ageing of the NSW population, along with increases due to population growth. There are projected to be 20,933 male and 16,617 female new cases of cancer in 2007, increasing to 23,713 male and 18,390 female new cases in 2011. Numbers of cancer deaths are also projected to increase slightly, despite the decreasing mortality rate, due to population growth in higher-risk age-groups.

Increasing numbers of cancers, coupled with increased survival, places an additional burden on our health system necessitating careful resource planning to meet this demand.

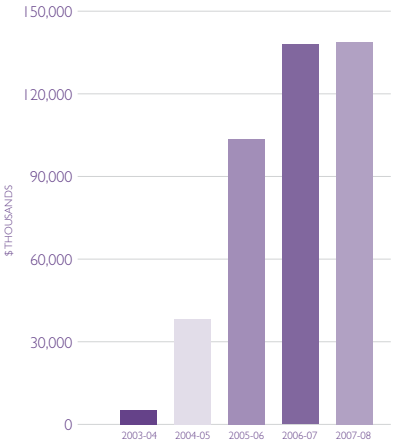
The Cancer Institute NSW is leading the challenge to control and cure cancer in NSW through objectives set out in the *NSW Cancer Plan* and to therefore alleviate this burden.

Our governance

The Cancer Institute NSW is a statutory body governed by the Cancer Institute NSW Board (page 40) appointed by the Minister for Health, and the Minister Assisting the Minister for Health (Cancer).

Our funding

The Cancer Institute NSW is funded by the NSW State Government.



Our organisational structure

The Cancer Institute NSW comprises five divisions:

- Cancer Prevention Division (page 16)
- Cancer Screening Division (page 20)
- Cancer Services and Education Division (page 24)
- Cancer Research Division (page 28)
- Cancer Information and Registries Division (page 32).

These divisions are supported by the Finance, Human Resources, Information Technology and Communication teams.

In 2007–08, the Cancer Institute NSW also won a tender to run the NSW Clinical Trials Business Development Centre.

Letter to the Minister

31 October 2008

The Hon. Tony Stewart, MP
Minister for Small Business
Minister for Science and Medical Research
Minister Assisting the Minister for Health (Cancer)
Level 32 Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Dear Minister,

We have pleasure in submitting the Cancer Institute NSW Annual Report 2008 for presentation to the Parliament of New South Wales in accordance with the *Annual Reports (Statutory Bodies) Act 1984.*

This report summarises our performance for 2007–08 against our objectives and targets set out in the *NSW Cancer Plan 2007–2010*. It also includes our corporate governance processes, comments on our financial results and discusses the year ahead.

We commend to you this report on the progress being achieved in the cure and control of cancer in NSW.

The Hon. Peter Collins AM QC
Chairperson
Board of the Cancer Institute NSW

Prof James F. Bishop AO MD MMed MBBS FRACP FRCPA
Chief Cancer Officer
Chief Executive Officer
Cancer Institute NSW

Chairperson's report

On behalf of the Board, I am proud to report on a successful and productive year of service to the NSW community. This report of the Board of the Cancer Institute NSW is the fifth since our establishment in July 2003 under the *Cancer Institute (NSW) Act 2003.*

Five years of controlling and curing cancer in NSW

July 2008 marks five years of the Cancer Institute NSW being at the forefront of cancer research, prevention, early-detection, information, treatment and education in NSW.

The Cancer Institute NSW was established in response to the need to further decrease the devastating impact of cancer on our society.

We have had many achievements in our five years of operation, including the successful completion of Australia's first state cancer plan in 2006. The Cancer Institute NSW is now almost halfway through the *NSW Cancer Plan 2007–2010,* a document that is widely recognised as a blueprint to assist all people working to accelerate the control and cure of cancer in NSW and internationally.

Increased focus on cancer control

During the year, we have seen the policy focus on tobacco control enhanced by the NSW Government. A move we supported and played an active role in. We were pleased in January 2008 when fruit and confectionary flavoured cigarettes were banned in NSW.

In April 2008, the Premier of NSW announced a consultation process on proposed new measures to protect NSW children and young people from tobacco-caused harm.

The patient experience

In 2007, we undertook the first cancer patient survey: an initiative requested by representatives of the Board of the Cancer Institute NSW. As consumers of cancer services, we believe it is imperative to improve cancer care in NSW by addressing unmet needs. Cancer patients themselves are in the best position to advise what is working and where cancer services in our public and private health sectors need to improve. We plan to survey cancer patients again each year to update our knowledge and to deliver valuable feedback to health service providers.

Defining our strategy

In May 2008, the Board held a strategy day to consolidate our plans on good corporate governance measures; human resource and succession planning issues; evaluation and reporting of Cancer Institute NSW program impact; and strategic positioning of the Cancer Institute NSW in the health sector and the community. We also identified four areas of focus for the Cancer Institute NSW over the next five years of operation:

- High impact programs: delivering against our objectives in cancer.
- Information rich: improving our data and its use to change outcomes.
- Special expertise: increasing analysis, campaigns, screening, business improvement, project management and evaluation.
- Consolidated organisation: encouraging greater scientific depth and sophistication.

We look forward to seeing the development of these plans over the next year.

Rewarding dedication and excellence

We were very pleased this year when Professor Jim Bishop, CEO of the Cancer Institute NSW, was appointed as an Officer of the Order of Australia. An honour well deserved for his contribution to cancer control in Australia.

Our thanks

During 2007–08, the Cancer Institute NSW was fortunate to be supported in the NSW Government by the Minister Assisting the Minister for Health (Cancer), the Hon. Verity Firth MP and the Minister for Health, the Hon. Reba Meagher MP. We thank them for their dedication to informing and educating the NSW community about cancer.

I would like to extend my thanks to my Board colleagues for their continued dedication to the Cancer Institute NSW. Their contributions are much appreciated.

Our CEO and Chief Cancer Officer, Jim Bishop, has led a strong team of staff. The contributions of all are acknowledged by the Board and myself.

The Hon Peter Collins AM QC

Chief Cancer Officer's report

The Cancer Institute NSW has been established to improve cancer survival; reduce incidence rates; enhance the quality of life of cancer patients and carers; and to act as a source of expert advice to the public about cancer. We believe this focus will accelerate the cure and control of cancer in NSW.

It gives me great pleasure to present the 2007–08 Annual Report of the Cancer Institute NSW.

The Cancer Institute NSW is now in its fifth year of operation. We have seen the organisation grow from a budget of $5 million to more than $138 million. During this time, we have developed two cancer control plans for NSW.

The first cancer plan has been implemented and reported. We are now in our second year of the *NSW Cancer Plan 2007–2010* and we have made significant progress against our objectives.

The past 12 months has represented a year of consolidation for the Cancer Institute NSW. We have completed our growth phase and we are now a fully-functioning organisation; operating at capacity with an exceptional team who are dedicated to controlling and curing cancer in NSW.

We are also at the stage of seeing the early impact of our programs and funding in the key areas of: reduction of cancer risk, improved numbers participating in screening, more structured services and successful cancer research. This report shows our achievements against our high-level objectives, results and challenges of the past financial year.

The cancer burden in NSW

Cancer is the largest cause of disease in NSW, and results in the greatest disability and loss of life. It is a major cause of death and the major cause of premature death.

Our most common cancers are prostate, bowel, breast, melanoma and lung. Of these, only lung cancer still has a very poor outlook, with only one in eight people alive five years after the diagnosis, although much work remains to improve all cancer outcomes. Overall, cancer incidence rates have levelled off in men but continue to increase by seven per cent in women. However, as the population ages and grows, the number of cancer cases continue to rise.

Preventing cancer

The lifetime risk of being diagnosed with cancer in NSW is now one in two for men and one in three for women. With these odds, it is more important than ever to know what the risk factors are and what we can do to avoid cancer. A number of behaviours are known to significantly reduce the risk of cancer and other chronic diseases. About a third of all cancers can be prevented by changing behaviour, like giving up cigarettes, avoiding alcohol and sun burn, eating a healthy diet rich in vegetables and fruit, avoiding obesity and improving our physical activity.

The year has been characterised by new successful anti-tobacco mass media campaigns. The release of the NSW Government Discussion Paper on the protection of children from tobacco smoke is another major milestone.

In our recent report, *Lifestyle and Cancer Survey 2007*, we were pleased to see an improvement in population awareness of the risk factors for cancer. Of note, the number of people who realise obesity is a cause of cancer increased from 35 per cent in 2006 to 49 per cent in 2007.

However, there is still much to be done. With the numbers of cancer diagnoses projected to rise over the next 10 years, we need to maintain a high level of awareness through cancer prevention campaigns that educate and inform the public about the risk factors for cancer. The NSW Government has pledged to spend $192 million over four years to prevent lifestyle-related cancers and to drive new discoveries in cancer research. This investment will significantly help us get key messages on how to avoid cancer across to the people of NSW.

Improving screening services for women

In April 2008, we launched the State's first mobile digital mammography clinic in Sydney's south-west as part of out statewide $26 million upgrade of the BreastScreen NSW program. This new digital technology at fixed and mobile sites will provide doctors with clearer images, faster results and lead to better early detection for breast cancer, especially in younger women. We now have digital machines at 14 fixed sites and three mobile vans.

Enhancing cancer services and professional education
The managed and networked cancer service project in NSW is already producing results. We have developed new multidisciplinary teams, a clinical cancer services directory, evaluated the impact; and brought clinicians, administrators and cancer survivors together to improve service delivery.

Improving capacity in cancer research
The audit of research conducted by the Cancer Institute NSW identified more than 1,300 cancer researchers in NSW: a 50 per cent increase since 2003. The support of cancer research by State and Federal Governments increased by 183 per cent from 2004 to 2006.

Becoming a world leader in clinical trials
In May 2008, the Cancer Institute NSW won a tender to establish the NSW Clinical Trials Business Development Centre, designed to make NSW an international hub of clinical trials activity. The new centre will connect the world's pharmaceutical companies and research centres to NSW experts in the design, management and analysis of clinical trials. We hope it will also bring the newest and best treatments to patients here in NSW.

In the *NSW Cancer Plan 2007–2010,* we set an aggressive target to have 10 per cent of new cancer patients enrolling in high quality clinical trials by 2010. The new centre will enhance our efforts to offer more clinical trials to NSW and therefore increase access to new life-saving drugs and treatments.

Collecting more data to inform about cancer in NSW
We now fund five of the eight Area Health Services (AHS) in NSW to collect data for all incident cancers diagnosed and treated in their AHS. There is great value in collecting information about the stage and treatment of patients to improve quality of care and to facilitate better service planning. This initiative will enable us to monitor incidence and treatment trends, ensure best practice, which in turn will help us to put new programs in place to better fight the disease.

Educating the public and health professionals about cancer in NSW
One of our main objectives is to make the information we collect available to the public and health professionals. In 2007–08, we produced 18 publications (four in 2006–07) about cancer in NSW. We were also proactive in releasing media reports about important cancer issues affecting the NSW community.

Strengthening our expertise
We have faced the challenge in the past financial year of losing some of our key senior staff. However, we maintained our business while undergoing an active recruitment process. We have recruited highly skilled and experienced individuals to the key roles, with a plan to further consolidate with depth of expertise in 2008–09. A deputy chief cancer officer will add greater medical and scientific depth to our team.

Managing our finances
I am pleased to report that the Cancer Institute NSW has managed all our programs within budget for the fifth year in a row. In 2007–08, our operating budget was $138.7 million (2006–07: 137.9 million). In the same period, our total expenses were 135.9 million (2006–07: 135.0 million). We also received an unqualified audit report from the NSW Auditor General in October 2008. Delivering all programs within the total Cancer Institute NSW budget and achieving the set objectives of programs is a great tribute to the experience and dedication shown by our staff, who maintained focus on the budget while providing quality programs designed to control and cure cancer in NSW.

Future plans
As we complete the second year of the *NSW Cancer Plan 2007–2010*, we will be increasing our efforts to meet the aggressive targets set for the control and cure of cancer in NSW by 2010. While this is a challenging task, I believe the team we have in place is up to it. We will particularly be focussing on:

- reducing smoking rates even further
- increasing awareness of the dangers of tanning
- educating about the benefits of early detection for all cancers
- implementing agreed standards for high-quality cancer care
- increasing the number of research projects that are taken from discovery to the bedside
- making more information about cancer available to the public.

My thanks
Our vision is to control and cure cancer in NSW; therefore lifting the burden of cancer from the population of NSW. We can not achieve this vision alone and we are fortunate to be supported by a number of dedicated people and organisations.

The NSW Government – in particular the Hon. Verity Firth MP, Minister Assisting the Minister for Health (Cancer) and the Hon. Reba Meagher, Minister for Health – should be commended on this commitment to cancer control programs and the vision in support of these programs. I also thank the Department of Health for their support and advice at all levels, especially the Division of Population Health.

The Board of the Cancer Institute NSW continues to provide high-level support, guidance and leadership for the Cancer Institute NSW. I wish to extend my sincere appreciation to the Chairman of the Board, the Hon. Peter Collins QC, Ms Jill Boehm OAM and other Board Members for their dedication to the goals of the Cancer Institute NSW.

I also wish to thank Cancer Australia, the Cancer Council NSW, the Cancer Council Australia and other key stakeholders. In addition, many people work on a voluntary basis for Cancer Institute NSW committees, attending workshops or by providing expert advice or advice from their own experience. Many thanks for this dedicated work to improve cancer outcomes.

Finally, I extend sincere gratitude to all of the staff of the Cancer Institute NSW. Your dedication and vision for a future without cancer has enabled the Cancer Institute NSW to deliver our shared goals in 2007–08.

Prof James F Bishop AO MD MMed MBBS FRACP FRCPA
Chief Cancer Officer and Chief Executive Officer

Financial performance

In 2007–08, the Cancer Institute NSW managed all programs within the budget. An evaluation of the financial year ending June 2008 of the Cancer Institute NSW shows expenditure of 98 per cent of the total budget. Including other sources of revenue, such as interest earned, other grants received and recoveries, the surplus is $2.9M for the year 2007–08. This surplus will be allocated to the 2008–09 expenditure to further enhance research and screening programs.

The actual spending proportions for the various areas of activity in the Cancer Institute NSW are in line with budgeted proportions. The expenditure in the Screening Division was lower than expected due to timing of the implementation BreastScreen Information System. Surplus funds from 2007–08 have been allocated to the 2008–09 budget.

Our Funding

The major proportion of our funding in 2007–08 was from the NSW Department of Health: 134.6M ($134M in 2006–07). We also received $777K ($60K in 2006–07) from the Commonwealth Government and funds of $950K from other sources. This was supplemented by investment revenue of $1.8M and other income and recoveries of $550K.

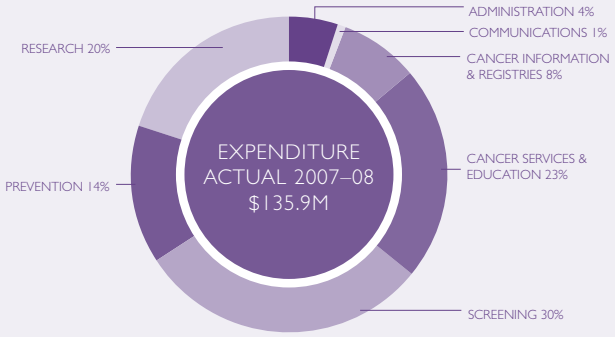
Revenue by Funding Source

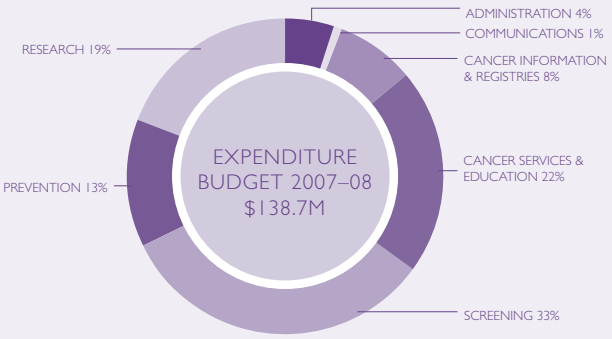
	07/08		06/07		05/06		04/05		03/04	
	%	$ '000	%	$ '000	%	$ '000	%	$ '000	%	$ '000
NSW Dept of Health Budget Funding	97%	134,622	97%	134,158	99%	102,577	97%	37,055	100%	5,183
Commonwealth Government Project Funding	1%	777	0%	60	0%	219	2%	694	0%	-
Other Grants	1%	950	0%	755	0%	-	0%	-	0%	-
Investment revenue	1%	1,840	2%	2,193	1%	484	0%	241	0%	-
Other income	0%	550	1%	766	0%	357	1%	350	0%	-
Total	100%	138,739	100%	137,932	100%	103,637	100%	38,340	100%	5,183

Expenditure in 2007–08 was $135.9M. The highest expenditure was in the screening programs, which was $42.3M. This included a contribution of $5M from the Cancer Institute NSW core budget towards improving screening participation rates through enhanced services and awareness campaigns. Also included in this expenditure is an amount of $2.9M for the rollout of digital mammography in NSW.

Cancer services and education spent $29.9M on programs to improve cancer services and to up skill the cancer workforce in the Area Health Services. This also included a contribution of $5M to the radiotherapy recurrent expenditure.

Financial performance against Budget





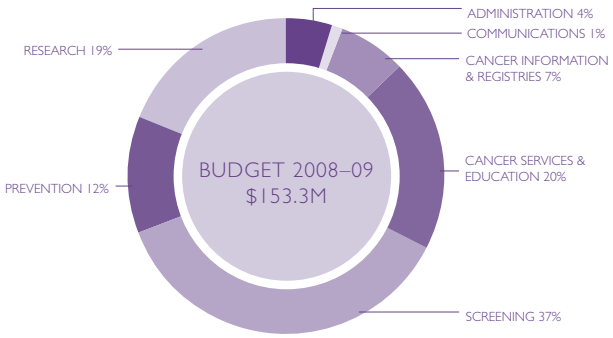
The expenditure on research activities was $27.0M. This was for the various grants that the Cancer Institute NSW provides to research institutions and hospitals to further the research activity in NSW and thus enabling further breakthroughs in research in order to achieve the objectives of controlling and curing cancer.

Prevention programs spend for the 2007–08 financial year was $18.7M. The majority of the expenditure was for smoking cessation programs.

Cancer information and registries spend for the year was $10.6M; this includes expenditure for the Clinical Cancer Registry that is funded by the Cancer Institute NSW to provide better analysis of cancer information. The Cancer Information and Registries Division is also responsible for the production of various reports; such as the *Cancer Incidence and Mortality Report.*

Administration and communication expenses total $7.5M for the year, this is five per cent of the total expenditure.

Budget 2008–09



Our total budget allocation for 2008–09, including BreastScreen NSW capital funding, is $153.3M.

Budget 2008–09 highlights

Approximately $123M – 88 per cent ($115M – 87 per cent in 2007–08) of the 2008–09 Cancer Institute NSW allocation is for clinical responsibilities that would have otherwise been the responsibility of NSW Health. Including the capital funding for BreastScreen enhancements, this will increase to $136M, which is 89 per cent of the total budget.

The screening programs have been allocated $56.6M, of which the Cancer Institute continues to provide funding from its core budget to improve participation rates through enhanced services and awareness campaigns. Also included in this allocation is an amount of $13.5M capital funding for digital mammography rollout and implementation of Breastscreen Information System over four years (total funding $26M).

A further $5M from the 2008–09 budget has been provided for radiotherapy recurrent expenditure.

This budget was correct at time of printing. The NSW Government will release a mini-budget in November 2008, which may change our budget allocation for 2008–09.

Financial highlights

Historical financial analysis and key financial statistics

	07/08 $ '000	06/07 $ '000	05/06 $ '000	04/05 $ '000	03/04 $ '000	Movement $ '000
FINANCIAL PERFORMANCE						
Operating Revenue	138,739	137,932	103,637	38,340	5,183	133,556
Expenditure (excluding Depreciation and Amortisation)	(135,177)	(134,307)	(94,474)	(33,550)	(1,868)	(133,309)
Net Result before Depreciation and Amortisation	3,562	3,625	9,163	4,790	3,315	247
Depreciation and Amortisation	(708)	(673)	(439)	(306)	(167)	(541)
Net Result	2,854	2,952	8,724	4,484	3,148	(294)
FINANCIAL POSITION						
Current Assets	40,936	37,947	30,475	10,076	2,369	38,567
Non Current Assets	1,706	2,199	2,567	1,584	779	927
Total Assets	42,642	40,146	33,042	11,660	3,148	39,494
Current Liabilities	13,899	14,257	10,143	3,970	0	13,899
Non Current Liabilities	306	306	268	58	0	306
Total Liabilities	14,205	14,563	10,411	4,028	0	14,205
Net Assets	28,437	25,583	22,631	7,632	3,148	25,289
Equity	28,437	25,583	22,631	7,632	3,148	25,289
CASH						
Cash and Cash Equivalents at the end of reporting period	36,464	33,159	29,606	3,843	0	36,464

Performance against objectives 2007–08

Our objectives are set out in the *NSW Cancer Plan 2007–2010*. We are now almost halfway through the plan. The Cancer Institute NSW programs also align with two measures in the NSW State Plan and quarterly progress reports are provided.

- *Priority S2: Improve survival rates and quality of life for people with potentially fatal or chronic illness through improvements in health care.*
- *Priority F3: Opportunity and support for the most vulnerable.*

Our achievements and progress against the objectives set out in the *NSW Cancer Plan 2007–2010* are listed below.

OBJECTIVES	PROGRESS	FUTURE PLANS
PRIORITY: PREVENTING CANCER	**GOAL:** DECREASE CANCER INCIDENCE	**PAGES:** 16–19
Decreased smoking prevalence by one per cent per annum.	> Smoking rates continue an overall downward trend, with rates down four per cent since 2003. ✓ In October 2007, the Cancer Institute NSW launched a new version of the iconic 80s *Sponge* quit smoking television commercial, which tobacco companies tried to ban almost 25 years ago. ✓ In January 2008, fruit and confectionary flavoured cigarettes were banned in NSW, and the NSW Government Discussion Paper 'Protecting Children from Tobacco' was launched in April 2008.	• Continue the downward trend in smoking prevalence in NSW. • Gain fresh behavioural insights into smoking through research and evaluation, and use this platform to deliver an evidenced-based, effective social marketing program. • Advance policy and influence legislation to create supportive social environments conducive to quitting. • Expand support services via the NSW Quitline.
Improved sun protection behaviour in young adults.	✓ In summer 2007–08, we developed and implemented a new melanoma awareness campaign: *The Dark Side of Tanning*. Intention to tan was reduced by five per cent.	• *The Dark Side of Tanning* campaign will be repeated in summer 2008–09 with a new focus on young men.
Increased cancer avoidance through changes in lifestyle.	✓ We implemented another wave of the *Go for 2&5®* campaign from April to June 2008.	• Work with academics, government and non-government organisations in the development of a new campaign to promote healthy lifestyle behaviour.
Increased public knowledge and awareness of screening recommendations.	✓ There was an additional 25,000 Pap tests during the running of the *Don't Just Sit There* 2008 campaign.	• Develop and implement a new campaign to encourage breast screen participation. • Modify the existing bowel cancer awareness *Armchairs* television advertisement to include a bowel screen message. • Develop Aboriginal and Torres Strait Islander - specific resources for the screening programs.
PRIORITY: DETECTING CANCER EARLY	**GOAL:** IMPROVE CANCER SURVIVAL	**PAGES:** 20–23
Increased participation in breast screening by the target group in the public and private sector.	✓ We have digital mammography machines at 14 fixed sites and on three mobile vans.	• Deliver a comprehensive statewide BreastScreen Information System (BIS), which will allow for the standardisation, coordination and more efficient management of a variety of core business, administrative and information reporting functions.
To ensure 70 per cent of women in the target age group have a mammogram every two years.	> There was a biennial participation percentage of 55.31 per cent in the target population as at 30 June 2008, with 401,228 women screened. > A key challenge for the program is to increase participation rates while dealing with an increasing target age group population.	• Develop a set of customer service metrics and associated training which can be implemented across the services in NSW.
Increased participation in cervical screening by three per cent to target hard to reach groups.	✓ There was a 3.8 per cent increase in participation rates in the biennial reporting period, which ended 30 June 2008, compared to the previous biennial period, which ended 30 June 2006.	• Continue to build on previous success of media campaigns and associated direct mail strategies to increase overall State participation rate, as well as participation rate in areas identified as having large numbers of women in 'hard to reach' groups.

Performance against objectives 2007–08

OBJECTIVES	PROGRESS	FUTURE PLANS
PRIORITY: DETECTING CANCER EARLY	**GOAL:** IMPROVE CANCER SURVIVAL	**PAGES:** 20–23
Evaluation of the introduction of bowel cancer and screening.	✓ The Cancer Institute NSW completed a clinical and economic evaluation of bowel cancer screening in Australia.	• Deliver a review of cancer data requirements, standards and analysis of data for the screening pathway from the NSW perspective.
PRIORITY: IMPROVING CANCER SERVICES AND PROFESSIONAL EDUCATION	**GOAL:** IMPROVE CANCER SURVIVAL; IMPROVE QUALITY OF LIFE FOR PATIENTS AND THEIR CARERS	**PAGES:** 24–27
Coordination of all involved in specialised cancer services to provide optimal cancer results.	✓ During 2007–08 the Cancer Institute NSW provided funding for 142 clinical positions. ✓ We completed the Cancer Services Accreditation Pilot program. ✓ We explored international experiences and care models for outreach specialist cancer services. > We determined that the original criteria used to create benchmarks for multidisciplinary teams require revision. ✓ We supported 24 teams to document and develop metro–rural links.	• Develop key performance indicators for multidisciplinary teams. • Establish key performance indicators for the clinical infrastructure program. • Review of outreach specialist cancer services will be developed into a business improvement approach. • Externally evaluate Clinical Infrastructure Program.
Critically examine and redesign clinical service models in cancer.	✓ During 2007–08, $1.9M was allocated to support 24 projects under Round 1 of the Health Services Innovation Grant program. ✓ The Standard Cancer Treatment (CI-SCaT) website increased its user base. ✓ We established a demonstration network of cancer services across 2.1 million people (CanNET).	• Business process review and improvement projects will be developed for chemotherapy units across the State. • Round 2 of the Health Service Innovation program will be rolled out during 2008–09, and will include 12 projects. • Re-build of the CI-SCaT website is planned.
To provide timely individual support to the level and detail required for patients and carers.	✓ We conducted the first cancer patient experience survey in NSW, showing a high level of patient satisfaction. ✓ We provided $100,000 annually to support the Cancer Helpline, run by the Cancer Council NSW.	• In response to the *2007 Cancer Patient Satisfaction Survey* results, a review of current strategies will be undertaken.
To develop highly skilled cancer professionals sub-specialised where appropriate linked to future patient demands.	✓ During 2007–08, 17 medical clinical fellowships and three psycho-oncology clinical fellowships were offered; 13 registrar positions were funded; eight international sabbatical grants were awarded; 25 travel grants were awarded; 20 education scholarships were offered; and three clinical research grants were awarded.	• The Skilled Cancer Professionals Program will be externally evaluated during 2008–09, and will be finalised following a consultative forum.

OBJECTIVES	PROGRESS	FUTURE PLANS
PRIORITY: ACCELERATING IMPROVEMENT THROUGH RESEARCH	**GOAL:** IMPROVE CANCER SURVIVAL; IMPROVE QUALITY OF LIFE	**PAGES:** 28–31
Rapid uptake of research discoveries into clinical practice.	✓ We peer-reviewed three of the six translational programs covering: drug discovery and development; biomarkers; and early detection, gene and protein expression.	• We focus our budget on innovation grants in 2008–09.
Support high quality successful and productive cancer researchers in NSW.	✓ In 2007–08, we awarded: 17 Career Development and Support Fellowships; three Clinical Research Fellowships; two International Clinical Research Fellowships; 11 Early Career Development Fellowships; 18 Research Scholar Awards; and one Cancer Research Leader Program Grant.	• We will consolidate our funding programs and implement a rigorous evaluation process.
Provide research platforms and processes to facilitate high quality cancer research.	✓ We reviewed the research infrastructure and published the findings, which showed cancer research was cost-effective.	• We will focus on funding new infrastructure grants and reviewing key infrastructure platforms in 2008–09.
Increase clinical trials participation to 10 per cent of new cancer patients.	✓ More than five per cent of new cancer patients were enrolled in clinical trials in 2007. ✓ We developed a statewide portfolio of trials and web-based listing of actively recruiting trials.	• We will expand the clinical trials network with more research nurses and data managers.
Increase quality and quantity of trials available to cancer patients.	✓ We reported on clinical trial activity and launched a web-based clinical trials register.	• Establish clinical trials capacity in underrepresented cancer types.
PRIORITY: RELEVANT CANCER INFORMATION	**GOAL:** EXPERT ADVICE TO PATIENTS, THE PUBLIC, HEALTH CARE PROFESSIONALS AND THE GOVERNMENT	**PAGES:** 32–35
To provide a single accessible, credible source of clinical and population data on cancer.	✓ One million cancer cases processed by the NSW Central Cancer Registry since 1972. ✓ Five Area Health Service Clinical Cancer Registries complete collection of 2006 data.	• A mechanism for incorporating clinical information, such as stage and treatment into the NSW Central Cancer Registry will be developed.
Using existing health data to answer important questions on the quality of services and document cancer outcomes.	✓ Nearly 20 million records have been linked to provide a basis for new research into cancer and improved cancer outcomes.	• Continue the existing program of Master Linkage Key updates. • Increase the number of linkage projects undertaken in 2008–09.
Provision of accessible cancer data to key users.	✓ Seven papers published in journals. ✓ Seven publications about cancer published. ✓ The report: *Cancer in NSW: Incidence, Mortality and Prevalence 2005* was published.	• Develop an online reporting and analysis solution, to enable stakeholders to disaggregate data according to their needs. • *The Cancer in NSW: Incidence and Mortality Report 2006* will be published.

Where we operate

Demography of New South Wales, Australia

NSW is the most populous state of Australia, with 6,817,182• residents. NSW is situated between latitudes 28°S and 38°S and longitudes 141°E and 154°E. Two-thirds (63 per cent) of the population live in the capital city, Sydney. In 2006, there were 35,159• new cases of cancer in NSW and 13,124• deaths from cancer.

There are eight Area Health Services (AHS) in NSW that have the main responsibility for health care delivery under the NSW Department of Health. The Cancer Institute NSW is a statutory body charged with substantially improving cancer control in NSW and covers all the Area Health Services.

GREATER WESTERN

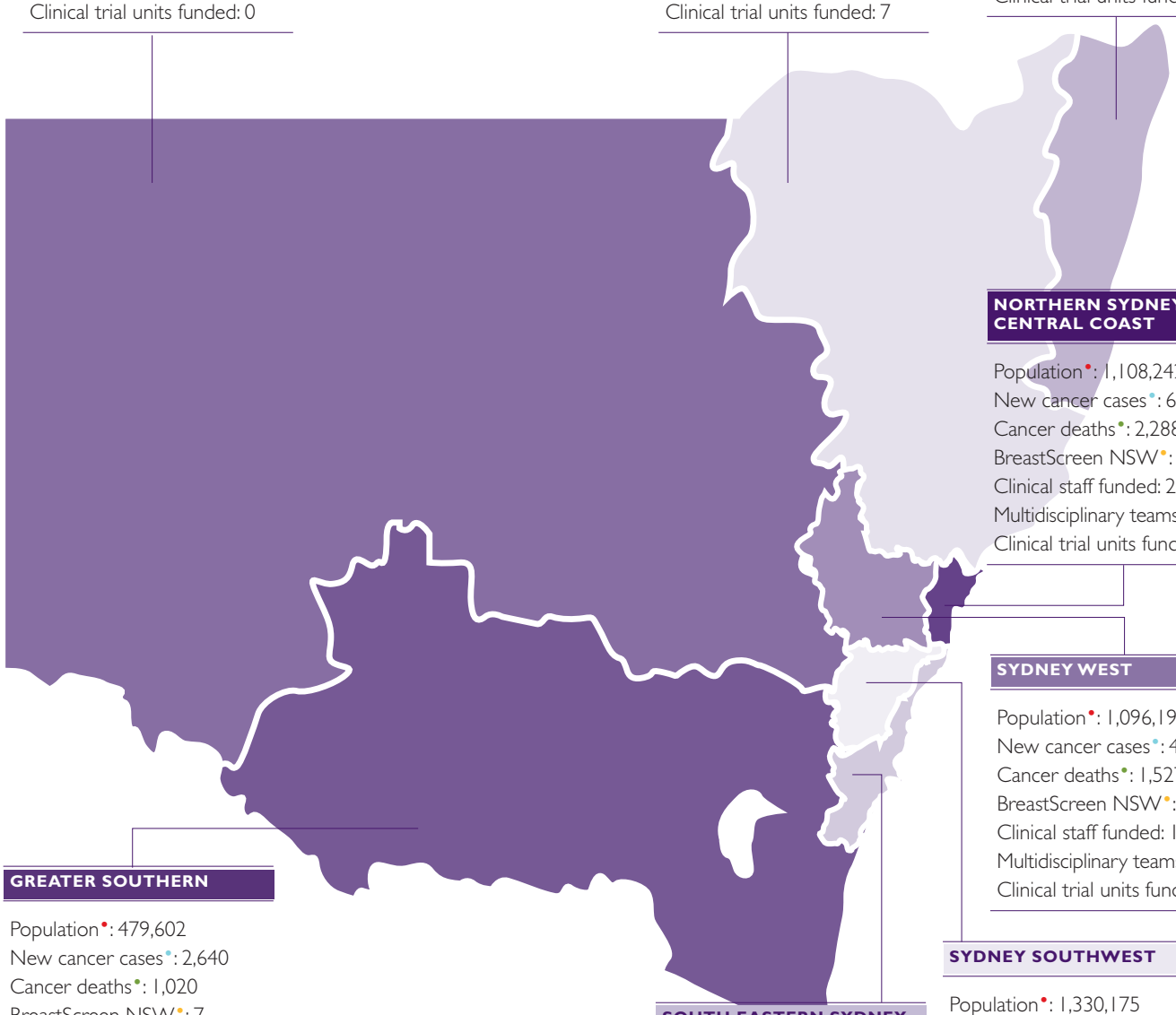
Population•: 299,861
New cancer cases•: 1,638
Cancer deaths•: 620
BreastScreen NSW•: 4
Clinical staff funded: 9
Multidisciplinary teams•: 5
Clinical trial units funded: 0

HUNTER NEW ENGLAND

Population•: 844,374
New cancer cases•: 4,920
Cancer deaths•: 1,955
BreastScreen NSW•: 2
Clinical staff funded: 22
Multidisciplinary teams•: 11
Clinical trial units funded: 7

NORTH COAST

Population•: 479,602
New cancer cases•: 3,331
Cancer deaths•: 1,161
BreastScreen NSW•: 4
Clinical staff funded: 11
Multidisciplinary teams•: 13
Clinical trial units funded: 4



NORTHERN SYDNEY CENTRAL COAST

Population•: 1,108,242
New cancer cases•: 6,315
Cancer deaths•: 2,288
BreastScreen NSW•: 7
Clinical staff funded: 23
Multidisciplinary teams•: 25
Clinical trial units funded: 6

SYDNEY WEST

Population•: 1,096,195
New cancer cases•: 4,446
Cancer deaths•: 1,527
BreastScreen NSW•: 3
Clinical staff funded: 19
Multidisciplinary teams•: 28
Clinical trial units funded: 8

SYDNEY SOUTHWEST

Population•: 1,330,175
New cancer cases•: 5,552
Cancer deaths•: 2,216
BreastScreen NSW•: 7
Clinical staff funded: 17
Multidisciplinary teams•: 32
Clinical trial units funded: 10

SOUTH EASTERN SYDNEY ILLAWARRA

Population•: 1,185,097
New cancer cases•: 6,317
Cancer deaths•: 2,337
BreastScreen NSW•: 6
Clinical staff funded: 27
Multidisciplinary teams•: 37
Clinical trial units funded: 7

GREATER SOUTHERN

Population•: 479,602
New cancer cases•: 2,640
Cancer deaths•: 1,020
BreastScreen NSW•: 7
Clinical staff funded: 14
Multidisciplinary teams•: 12
Clinical trial units funded: 2

- • ABS Estimated Resident Population, June 2006, NSW.
- • Number of new cases of cancer diagnosed in 2006.
- • Number of deaths from cancer in 2006.
- • In addition, there are 15 mobile Breastscreen NSW vans and two relocatables, which service various sites within the Areas.
- • Numbers based on 2006 figures.

How we compare

Comparisons with other states and territories and other countries with similar health systems is a useful way to benchmark the NSW cancer services and research activity. We have documented research that shows how we rate in terms of survival from cancer. Future reports will also include an international comparison for cancer incidence.

Survival from cancer

Cancer survival rates in NSW are comparable to the United States of America and higher than the United Kingdom. Survival rates from cancer have improved dramatically over the past two decades, with almost two-thirds (63 per cent) of all cancer patients diagnosed today in NSW living for at least another five years, with many making a full recovery. This is a vast improvement on the odds that confronted cancer patients back in 1980, when more than half (51 per cent) were expected to die within five years of being diagnosed.

In our 2007 report, *Survival from Cancer in NSW: 1980–2003*, we compared local, interstate and overseas cancer survival rates.

NSW's overall cancer survival rate (63 per cent) is slightly less than the USA's (66 per cent) but higher than those recorded elsewhere in Australia (60 per cent) as well as in New Zealand (61 per cent), the UK (50 per cent) and most mainland European countries.

OUR RESEARCH SHOWS:

NSW's overall cancer survival rate improved from 49 per cent in 1980 to 63 per cent in 2003.

Survival rates for the State's most common cancers are the highest on record, with the rate for breast cancer up 15 percentage points; the rate for prostate cancer up 29.1 percentage points; and the rate for melanoma up 2.8 percentage points. Together these cancers account for more than 40 per cent of all new cancer cases in NSW.

NSW has the world's highest survival rates for cervical, colon, liver, oesophageal, pancreatic, rectal and stomach cancers.

There are many reasons in each cancer why death rates are falling. In breast cancer it has been well documented it is equally due to screening mammography and early chemotherapy and hormone treatment, both established on the basis of large clinical research trials. For most cancers the unifying theme is that cancer mortality reductions have occurred from the insight, clinical trials or new treatments identified by cancer research.

However, statistics also show the number of new cancer cases expected in the years ahead will rise, driven in large part by an ageing population. The prognosis for lung, pancreatic and oesophageal cancers remains extremely poor. It is estimated that by 2011 there will be more than 40,000 new cancer cases diagnosed per year (an annual increase of 3.1 per cent), with one in two males and one in three females likely to be diagnosed with diseases before the age of 85.

"My vision for cancer prevention in NSW is that we have courageous and intuitive politicians who will make a difference."

John Bevins, Creative Director, John Bevins Pty Limited

In 1979, when smoking rates were perhaps at their highest and the big tobacco companies sponsored everything from sport to movies, the NSW Department of Health approached the advertising agency, Bevins, Slapp, to create an anti-smoking campaign. The result was *Sponge* and the campaign went on to cause an outcry among the tobacco industry, who tried to have the ad banned by the Advertising Standards Council.

"The Tobacco Institute of Australia, through their lawyers Baker & McKenzie, complained to the Advertising Standards Council and fought hard to have it banned. The lawyer's letter spoke of 'the misconceptions and terror that (*Sponge* was) engendering in the public', recalls John Bevins who, with his partner the late Brian Slapp, created the ad.

"They also claimed that 'the Tobacco Institute believes there is a silent majority who are disgusted and alarmed by the advertisements but who have not complained'... for various (and spurious) reasons. The letter, as hysterical as it is historical, goes on to baldly state, among other things, that there is no proof that tar is cancer producing, and that there is no pathological difference between a non-smoker's and a smoker's lung – leading lung specialists have said so. It is a classic."

The reaction is a far cry from the launch of the Cancer Institute NSW's remake of *Sponge* in October 2007. Now tobacco companies are not allowed to advertise, and anti-smoking ads are well established.

"I think society has moved on a long way," says John. "The tobacco industry no longer has the power, nor the political connections, to play its dirty tricks."

Even though John has gone on to create a slew of social marketing ads in the past 25 years, including the Roads and Traffic Authority's drink driving campaigns, *Sponge* remains a standout for him.

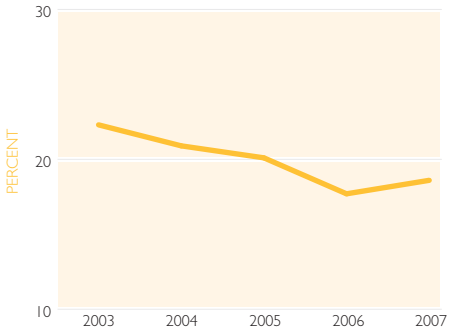
"Slappo art directed the commercial so brilliantly, so simply, it became a uniquely powerful piece of communication," he says. "Thanks to a team of pioneering and dedicated government visionaries – politicians and health professionals working together – it helped NSW lead the world in anti-smoking.

"If that's what happening once again, NSW leading the world in an anti-smoking initiative, well…

"It's enough to make you proud. Very proud."

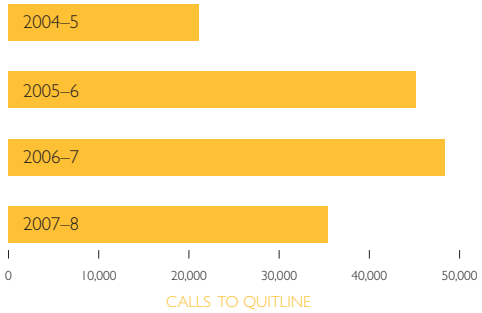
Preventing cancer

OBJECTIVE	HIGHLIGHTS
Decreased smoking prevalence by one per cent per annum.	• Smoking rates continued an overall downward trend, with rates down four per cent since 2003. • More than 12,000 submissions were received in response to a discussion paper on measures to protect children and young people from tobacco.
Improved sun protection behaviour in young adults.	• Tanning behaviour decreased five per cent since 2006.
Increased cancer avoidance through changes in lifestyle.	• We implemented another wave of the *Go for 2&5®* campaign.
Increased public knowledge and awareness of screening recommendations.	• An additional 25,000 Pap tests were completed during the 2008 campaign period bringing the total extra Pap tests to 50,000 since the campaign first launched in May 2007.



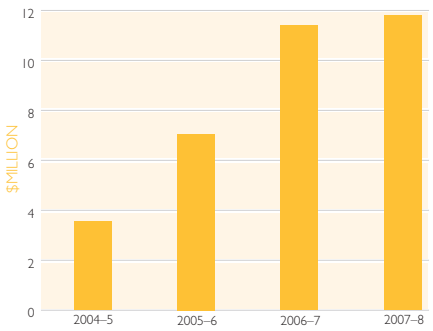
There has been a downward trend in smoking rates since 2003. The change from 2006 to 2007 was not statistically significant.

Smoking rates from NSW Health Population Survey.



Calls to Quitline have fallen.

Quitline calls reached 35,469 over the 2007–08 period, maintaining a high level compared to 2004–05 (21,135), but less than 2006–07.



So we have increased our quit smoking expenditure* and improved the legislative framework to reduce smoking further.

* Our investment started in 2004.

We have continued to introduce initiatives that break new ground in tobacco control in NSW.

Breathing new life into an iconic ad

In October 2007, the Cancer Institute NSW launched a new version of the iconic 80s *Sponge* quit-smoking television commercial, which tobacco companies tried to ban almost 25 years ago.

Sponge was one of the first NSW ads to graphically illustrate the very real dangers of smoking. It shows thick, cancer-producing tar being wrung out of a sponge, which represents the human lung of a pack-a-day smoker.

A study published in 1990 found Sydney's smoking rate fell by 2.8 percentage points following the airing of *Sponge*, compared to no decline in Melbourne where the commercial originally didn't air.

The new version of *Sponge* is graphically sharp and attention-grabbing. In fact, since its remake the commercial has attracted significant interest from health authorities around the world. The campaign has now been made available for use interstate and internationally.

At its peak, the *Sponge* remake achieved 93 per cent recognition among smokers and recent quitters. The ad was found to be attention grabbing (85 per cent) and was particularly effective in providing new information to younger smokers aged 18–24 years (54 per cent) who would not have been exposed to the original *Sponge*, aired in 1979.

Lending our expertise to a global initiative

In 2007, our Cancer Prevention Division provided expert advice and support to the International Union against Tuberculosis and Lung Diseases (IUATLD) as part of its work under the Bloomberg Global Initiative, which aims to upscale tobacco control efforts in 15 developing countries.

The Union had convened a taskforce of international experts in health communications, which included representation from the Cancer Institute NSW by former Director of Cancer Prevention Trish Cotter, to review and compile a resource of proven-effective anti-tobacco media campaigns from around the world. The Union Tobacco Control Mass Media Taskforce assessed campaigns against a list of pre-determined criteria. Campaigns had to:

- improve knowledge of the health effects of tobacco use
- motivate behaviour change
- encourage quitting
- build support for effective tobacco control policies; in particular, smoke-free policies
- have adults as their primary target
- change the image of tobacco, the tobacco industry and tobacco use.

Preventing cancer

Campaigns were scored on the basis of evidence of their impact and effectiveness, target audience acceptability, and potential for adaptation in priority countries where the burden of tobacco is highest.

The Cancer Prevention Division supported the IUATLD throughout the review process, from sourcing and compiling international effective campaigns to conducting the evaluation.

In September 2007, the Union released 'Effective Mass Media Campaigns for Tobacco Control: a resource for low-and-middle income countries'. The resource presents a selection of effective anti-tobacco mass media campaigns suitable for adaptation and use in low-and middle-income countries. It can also be used as a resource to support concept development for new campaigns.

Protecting future generations

In January 2008, fruit and confectionary flavoured cigarettes were banned in NSW.

In April 2008, the Premier of NSW announced a consultation process on proposed new measures to protect children and young people from tobacco-caused harm. The discussion paper sought comment on a range of possible measures to protect children, including a ban on smoking in cars with children and a proposal to remove tobacco products from display at the point of sale in shops.

In the 2007 Cancer Institute NSW Smoking and Health Survey, we had previously found strong support for tougher measures around point of sale displays, with 89 per cent of respondents agreeing cigarettes in shops should be stored out of sight of children.

On 30 May 2008, the Minister Assisting the Minister for Health (Cancer) held an open forum to hear arguments for and against the proposed measures. By the end of June, the NSW Department of Health had received more than 12,000 submissions.

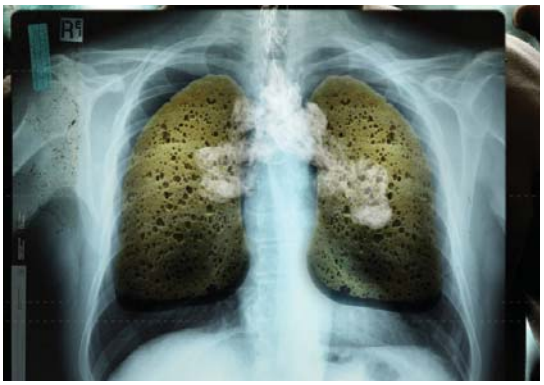
As a result of the consultation process, the NSW Government has announced an intention to introduce legislation to the Spring 2008 session of the NSW Parliament, which will include:

1. A ban on smoking in cars carrying children.
2. Moving tobacco products out of sight in retail outlets.
3. A new licensing scheme for tobacco retailers, with deregistration for retailers caught selling to minors.
4. Limiting tobacco to one point-of-sale in retail outlets.
5. Tobacco vending machines permitted only in licensed venues which are restricted to adults aged 18 years and over.
6. A ban on tobacco products in shopper loyalty programs.

The dark side of tanning

In summer 2007–08, we developed and implemented a new melanoma awareness campaign called the *Dark Side of Tanning*. In the campaign, we aimed to contribute to a reduction in NSW youth and young adults exposing themselves to ultraviolet radiation (UVR) in order to tan. It showed how sun exposure can lead to melanoma.

The campaign evaluation found that, as a result of seeing the television commercial, nearly two-thirds of respondents reported that they were less likely to seek a tan and more than half said they had or would consider increasing their level of sun protection. Furthermore, compared to 2006–07, there was approximately a five per cent shift in people who were more 'anti-tan', with six out of 10 regarded as anti-tan.



Promoting healthy eating

The Cancer Institute NSW and NSW Department of Health again teamed up to implement another wave of the *Go for 2&5®* campaign, from April to June 2008. The primary objective of the campaign was to increase awareness of the recommended daily intake of fruit and vegetables.

Results of the *Go for 2&5®* campaign implemented in 2006–07 financial year were also presented in 2007–08:

- There was a significant increase in the reported consumption of five or more serves of vegetables each day (from 12 per cent pre to 16 per cent post campaign).
- There was a significant increase in those indicating that they consumed one less serving of vegetables than the recommended amount i.e. four serves each day (from 13 per cent pre to 23 per cent post campaign).
- Knowledge of the recommended daily intake of vegetables to maintain good health increased significantly (from 30 per cent pre to 45 per cent post campaign).

Regular screening saves lives

Cervical screening is still needed despite women having access to the human papillomavirus (HPV) vaccination. In 2008, we modified the *Don't Just Sit There* ads to include information about the need for a regular Pap test as well as the vaccination. This ran from February to June 2008.

Greater knowledge and awareness of cervical screening recommendations has seen an additional 25,000 Pap tests during the 2008 campaign period, bringing to 50,000 the total extra Pap tests since the campaign first launched in May 2007.

Our future plans

Quit smoking

- Continue the downward trend in smoking prevalence in NSW.
- Gain fresh behavioural insights into smoking through research and evaluation, and using this platform to deliver an evidenced-based, effective social marketing program.
- Advance policy and legislation to create supportive social environments conducive to quitting.
- Expand support services via the NSW Quitline.

Sun protection

- The *Dark Side of Tanning* campaign will be repeated in summer 2008–09 with a new focus on males.

Cancer protection through healthy living

- Work with academics, government and non-government organisations in the development of a new campaign to promote healthy lifestyle behaviours.

Awareness of screening recommendations

- Develop and implement a new campaign to encourage breast screen participation.
- Air the *Don't Just Sit There* cervical screening campaign again during 2008–09.
- Modify the existing bowel cancer awareness *Armchairs* television advertisement to include a bowel screen message.
- Develop Aboriginal and Torres Strait Islander-specific resources for the screening programs.

"I would like to see more Aboriginal and Torres Strait Islander women trained in cancer care, so they can then care for our own women."

Josephine Parker-Brooks, Project Officer, Breast Screening Project for Aboriginal and Torres Strait Islander women

As a proud Aboriginal woman of the Wiradjuri nation – and as a busy wife, mother and grandmother – Josephine Parker-Brooks has dedicated her time to working with the Aboriginal community in a number of roles. Her most recent is Project Officer for the Breast Screening Project for Aboriginal and Torres Strait Islander (TSI) women, a position she took very seriously as it affected many people in the community around her.

"My role was to map the areas of places where Aboriginal women gathered in groups within the Macarthur area. This was easy because I know most of the community as I also live within the area," she says. "I also had to increase the Aboriginal female community awareness of breast screening and arrange mammograms for any woman who needed to be screened in a culturally sensitive manner."

Josephine believes that the Breast Screening Project is vitally important for the Aboriginal community and hopes further funding can be provided for other initiatives. "I have learned, while working on this project, that if we as women don't care for ourselves, no one else will," she says.

"As the stronger part of the Aboriginal and TSI community, we forget about our own health. It's important to have a project aimed just at the women, run from a women's health centre, by a Koori woman who had a mammogram to prove that she knew what she was asking her sisters, aunties, nieces, cousins and mothers to do. It made it easier for the other Koori women to understand there is no shame in admitting they need to stay strong and well.

"The media that is available mostly shows only non-Aboriginal and TSI women, so Aboriginal and TSI women don't take notice because the designs are not directed at them."

Even though the Breast Screening Project has finished, Josephine still actively works within her community supporting women and dispelling myths about mammograms and breast cancer. "A worker in the Aboriginal community does not belong to the workplace, they belong to the community," she says. "I am still available to the women who were involved in the project."

Detecting cancer early

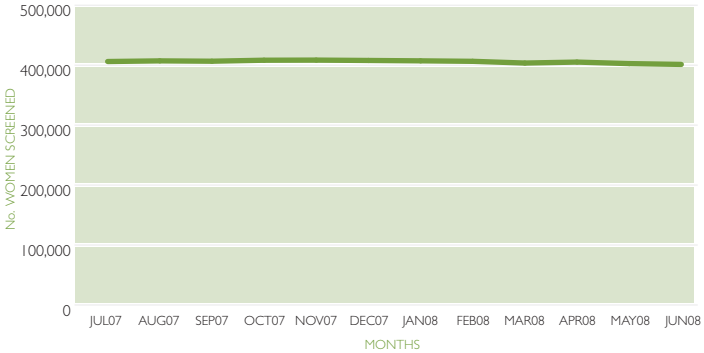
OBJECTIVE	HIGHLIGHTS
Increased participation in breast screening by the target group in the public and private sector.	• The number of women participating in biennial breast screening peaked in November 2007 at 408,430. • As at 30 June 2008, we have digital mammography machines at 14 fixed sites and on three mobile vans.
Increased participation in cervical screening by three per cent to target hard to reach groups.	• There was a 3.8 per cent increase in participation rates in the biennial reporting period, which commenced in July 2006 and finished 30 June 2008. This was an increase of approximately 93,300 women having Pap tests compared to the previous two-year period.
Evaluation of the introduction of bowel cancer and screening.	• The Cancer Institute NSW completed a clinical and economic evaluation of bowel cancer screening in Australia.

There is persuasive medical evidence that screening for breast, bowel and cervical cancer can substantially reduce death rates. The age-standardised incidence rates of breast cancer have, for example, remained constant, but age-standardised mortality rates have fallen by 18 per cent in the past 10 years. Improved treatment and population screening have contributed equally to this fall in mortality. Similarly, detection of pre-invasive cancers through cervical screening is the most likely explanation for the acceleration of the decline in incidence and mortality rates of cervical cancer since 1992. Between 1996 and 2005, incidence rates of cervical cancer fell by 42 per cent and mortality rates 47 per cent.

Our goal is to improve cancer survival through screening.

Our participation rate for breast screening peaked to an all-time high

The biennial participation of women aged 50–69 years from July 2007 to June 2008 peaked in November 2007 at 408,430 and finished the year at 401,228 in June 2008. From July 2006 to June 2007 the numbers peaked in May 2007 at 404,718, and finished at 404,332 in June 2007. Our major focus for 2007–08 was to put measures in place to improve service delivery, such as digital mammography technology and aligning our boundaries to Area Health Services. These activities required some adjustment to our services during the year and this, coupled with a growing target population, led to a lower number of women participating at the end of June 2008.



Upgrading our technology with digital equipment

In March 2007, the NSW Government announced a plan to rollout digital mammography and new database technology at a cost of $26 million through the Cancer Institute NSW: the largest ever upgrade of cancer screening technology in NSW. We began the statewide rollout of digital mammography technology at BreastScreen NSW fixed sites in 2007–08. The first mobile van equipped with digital technology started screening in April 2008. As of 30 June 2008, we have digital mammography machines at 14 fixed sites and three mobile vans.

The new digital mammography equipment enables a much higher quality image to be taken of the breast tissue than previously possible with film x-rays, improving the chances of detecting an abnormality in its very early stages.

With the implementation of the BreastScreen Information System (BIS) (see below), digital technology will also allow scans to be transmitted electronically from screening centres to well-resourced central reading rooms for analysis by experienced radiologists.

BreastScreen Information System (BIS)

Significant progress has been made towards the development of the BIS to allow for the standardisation, coordination and more efficient management of a variety of core business, administrative and information reporting functions: a critical project for the BreastScreen program.

Project director services have been obtained through a tender process and documentation has been prepared for review by the Treasury.

Lending our local knowledge to a national evaluation

The BreastScreen NSW Coordination Unit has actively contributed to the various consultancy projects being undertaken as part of the Australian Government Department of Health and Ageing BreastScreen Australia Evaluation. Specifically, the Policy Analysis, Infrastructure and Workforce, Governance, and Accreditation System review projects are of importance to the future of the Program.

Improving service delivery throughout NSW

Screening and Assessment Services (SASs) aligned their boundaries with Area Health Service boundaries, reducing the number of SASs from 10 to eight. The need for significant restructuring as a result of this process resulted in a number of services being considered as 'new' and being placed on provisional accreditation. Despite this challenge, a particular focus on accreditation ensured that all BreastScreen NSW Services were accredited with the National Program, with two services awarded four-year accreditation during 2007–08, a new achievement for the program.

Increasing participation against all odds

A key challenge for the future is how to increase participation rates while dealing with a growing target age group population. The 2007 Estimated Resident Population estimates an increase of 2.8 per cent of women in the target population of 50–69 years, equating to an additional 20,474 women eligible for screening.

Detecting cancer early

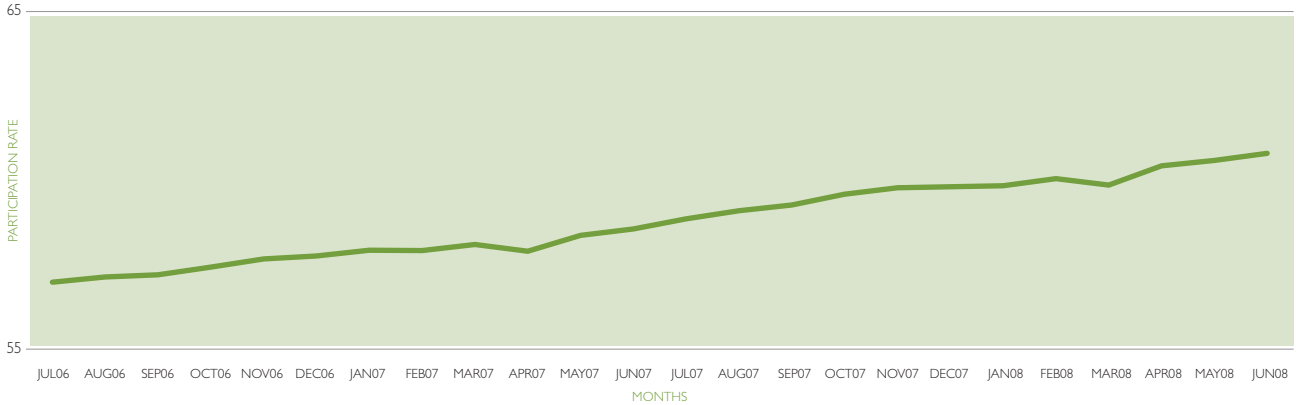
Increasing cervical screening numbers

In the biennial period ending 30 June 2008, 1,177,830 women had a Pap test. This is an increase in numbers of 93,837 and an increase in participation rate of 3.8 per cent compared to the previous biennial period, which ended 30 June 2006.

There has been a steady improvement in the screening numbers since July 2006 and in the participation rate. However, the steeper increases in participation commenced in the months of May and June 2007, and corresponded with the first *Don't Just Sit There* media campaign. Seasonal fluctuations are noted in April 07, December 07 and March 08 and coincide with the Easter and Christmas holidays.

The second phase of the modified version of PapScreen Victoria's *Don't Just Sit There* media campaign was run in February to June 2008. This campaign had additional components – a longer period of advertising plus special direct mail letter strategies – carried out by the Pap Test Register for women who live in local government areas (LGAs) which have been identified as 'high priority' due to having a combination of factors including lower than average screening rates and large numbers of unscreened and under screened women in the target age group. Many of these areas have higher than average populations of women from culturally and linguistically diverse backgrounds.

Biennial participation in cervical screening, NSW women aged 20–69 years



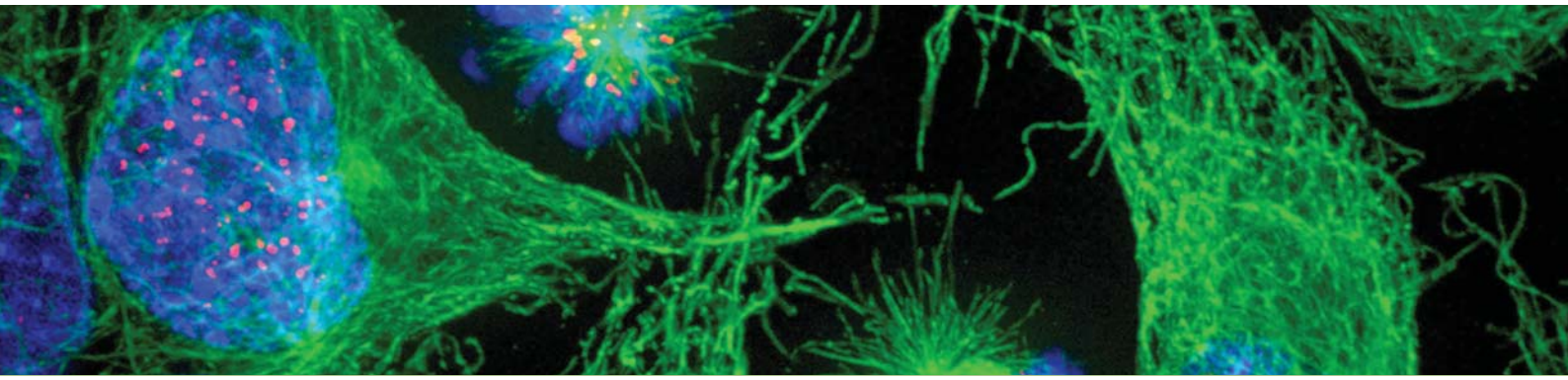
The aims of the 2008 campaign and associated direct mail and multi-lingual strategies were to (i) further boost participation and (ii) determine if an even higher response rate to the media campaign could be obtained by having it run for a longer period and by having the associated mail strategies in high priority areas.

Due to the length of time it takes to receive complete data on Pap test numbers, the final evaluation of this project is expected to be completed in early 2009. However, preliminary analyses performed on data from the early stages of campaign do indicate an increase in Pap tests from April 2008, through to June 2008.

Reminder letters to lapsed attendees

In addition to the standard letters sent routinely to all women if they have not had a Pap test by 27 months after their last test, a trial of a special letter was carried out between August 2006 and October 2007 to 500,000 women who had not had a Pap test for four years or more. The final evaluation findings were:

- Of the women whose letters were not 'return to sender', there was a 3.5 per cent overall response rate. The response rate is defined as the number of women who had a Pap test within three months of being sent the letter divided by the total number of women who received a letter.
- The response was higher in women who were least lapsed (i.e. four–six years since their last Pap test vs. six years+) and women in the older age group (i.e. 50–69 yrs vs. 20–49 years).



An evaluation of bowel cancer screening

During 2007–08, we completed a clinical and economic evaluation of bowel cancer screening in Australia. The overall objective of this project was to assess the relative economic and health benefits of biennial screening for people aged 55–74 in Australia. The report found that after 10 years of a population screening program, the treatment of bowel cancer would cost, on average, $191.3 million per year. Marginally higher than the $189.6 million predicted treatment costs if people aged 50–74 years were not screened. Biennial bowel cancer screening of people aged 50 to 74 years would cost the health system $36,080 for every healthy year of life saved. Amounts between $50,000 and $60,000 for every healthy life-year saved are usually considered to be cost-effective in the Australian economy.

Phase 2 of the National Bowel Cancer Screening Program (NBCSP) started on 1 July 2008 and will offer faecal occult blood testing (FOBT) to people turning 50, 55 or 65 years of age between January 2008 and December 2010. The NSW Health Department will act as the program manager for Phase 2 of the program. A decision has been made by the Commonwealth to exclude rescreening in Phase 2. The Cancer Institute NSW has expressed its concern that this decision results in Phase 2 being non-evidence based.

Notes to graph:

1. Screening Rates are adjusted for hysterectomy fractions derived from the 'NSW Population Health Survey 2006'.
2. Population used is 2006 Census population.
3. Screening numbers for women who have chosen to have their identified data withheld from the Pap Test Register ('Opt offs') have been included in this report. The total number of opt offs for the period ended 30 June 2008 is 9191. Most women have at least 1.2 Pap tests per biennial period. Therefore the 9191 is divided by 1.2 and results in a figure of 7659. This estimate is added to the screened number to obtain the screening rates.
4. Interstate residents have been excluded.
5. Biennial screening rates are crude rates.

Sources:

1. Data: NSW Pap Test Register, Cancer Institute NSW.
2. Population: Health Outcomes Information Statistical Toolkit (HOIST), Epidemiology and Surveillance Branch, NSW (population averaged over two years).
3. Hysterectomy Fractions: NSW Population Health Survey 2006, NSW Department of Health.

Future plans for screening in NSW

Breast screening

- Deliver a comprehensive statewide BreastScreen Information System (BIS) before the end of 2010.
- Develop a set of customer service metrics and associated training that can be implemented across the services in NSW. This program will incorporate findings from a statewide customer service survey that was conducted in early 2007, for which a final report is expected in late 2008.
- Establish a State Radiology Training, Research and Education Centre to develop electronic based libraries for case studies in screen reading and assessment, mentor BreastScreen radiologists at remote sites and facilitate training and oversight for Breast Imaging Fellowships.

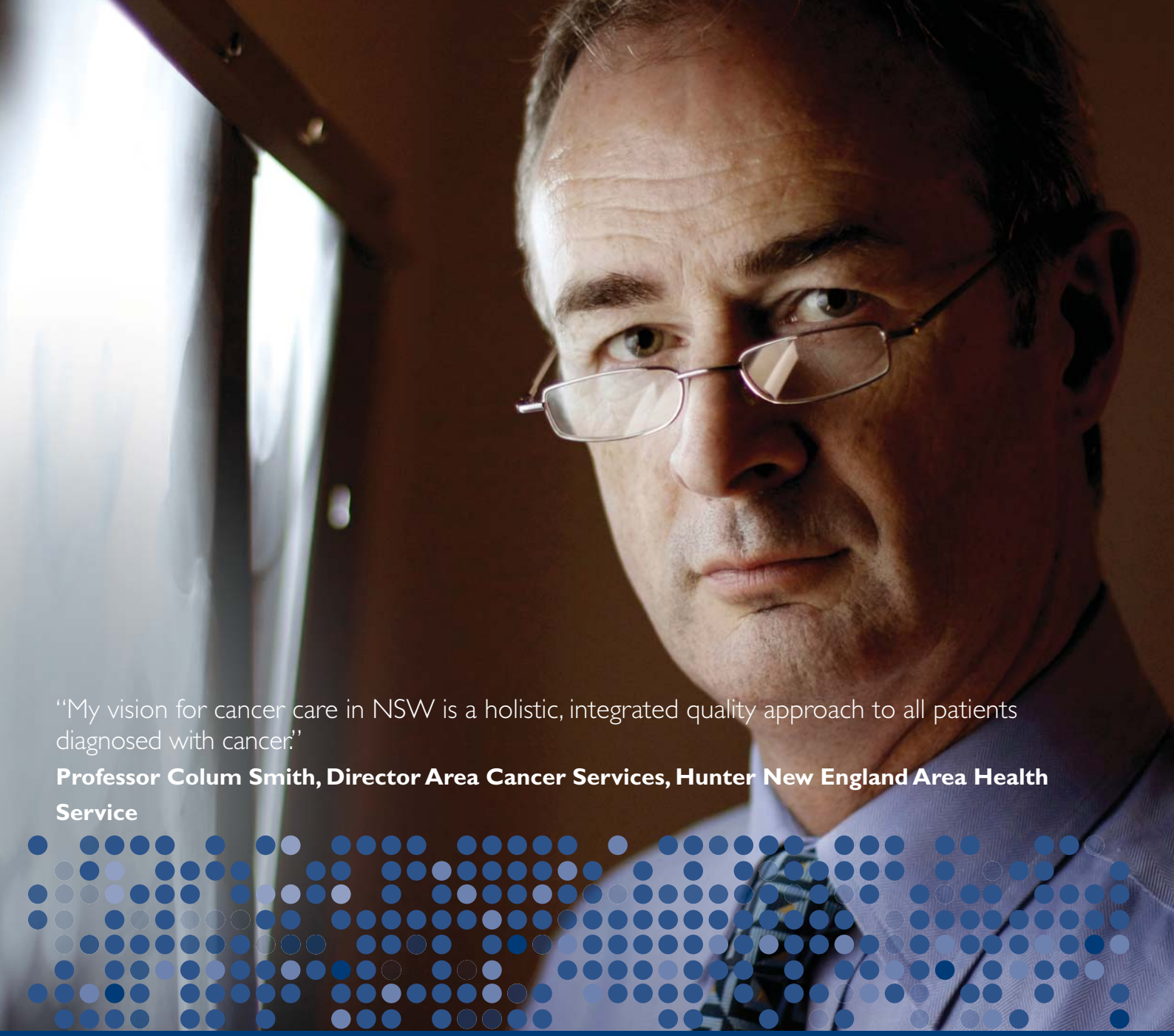
Cervical screening

- Offer grants on a competitive basis to NSW Divisions of General Practitioners which contain 'high priority' local government areas (LGAs). The LGAs have been identified as priority due to having a combination of factors, including lower than average screening rates and large numbers of unscreened and under screened women in the target age group. In line with our aim to support local projects to increase the recruitment of women by a minimum of one per cent per annum by specifically targeting hard to reach groups, we are providing grants to five of these NSW Divisions of General Practice for 2008–09.
- Fund Area Health Services for the cost of cytology for a further 13,000 Pap tests to be provided by women's health nurses.
- Fund Pap test training for practice nurses and general practitioners (GPs).

Bowel screening

The role of the Cancer Institute NSW in Phase 2 of the Program will be as follows:

- review the cancer data requirements, screening collection, standards and analysis of data for the screening pathway from NSW perspective
- GP communication and education
- public or mass media awareness campaigns
- health economic and modelling studies.



"My vision for cancer care in NSW is a holistic, integrated quality approach to all patients diagnosed with cancer."

Professor Colum Smith, Director Area Cancer Services, Hunter New England Area Health Service

Irish-born physician and radiation oncologist Colum Smith spent 20 years honing his skills in Canada before bringing his expertise to cancer patients in northern NSW. As Director of Cancer Services at Hunter New England Area Health Service, he is spearheading the development of a clinical cancer network, clinical streams and area-wide tumour groups; and is passionate about improving the quality of care for people with cancer in the Hunter region.

"I want to see a holistic, integrated quality approach to all patients diagnosed with cancer using multidisciplinary teams and evidence-based medicine to provide optimal care," he says.

One such approach is CanNET (the Cancer Service Networks National Demonstration Program): a project jointly funded by Cancer Australia and the Cancer Institute NSW. The purpose of CanNET is to improve services for people who suffer from cancer in Northern NSW by establishing a cancer network across three geographic regions.

"Our goal for CanNET is to network cancer services across the public and private sector providers and general practitioners within this large area. CanNET is being established to improve access to quality clinically effective cancer services throughout mid and northern NSW: one of seven demonstration cancer networks being funded by Cancer Australia," says Professor Smith. "Key elements underpinning CanNET are: active consumer involvement; active general practitioner involvement; formalised links between cancer services; enhanced communication of data systems; and continuous quality review and improvement.

"We have already made some progress in establishing formal linkages across the Area: we have started developing a cancer services directory for patients in northern NSW. We have also begun to examine issues about role redesign of some cancer professional groups and governance across the entire northern NSW cancer network," he says.

Such improvements can only mean a higher quality of care and a coordinated approach for cancer patients, which is the ultimate goal for Professor Smith. "Projects such as CanNET are important to the people of NSW because of the forecast increased incidence of cancer over the next 20 years," he says. "We need multidisciplinary care and the integration of services across large geographic areas to be able to meet new demands on the health system."

Improving cancer services and professional education

OBJECTIVE	HIGHLIGHTS
Coordination of all involved in specialised cancer services to provide optimal cancer results.	• During 2007–08, we provided funding for 142 clinical positions. • We completed the Cancer Services Accreditation Pilot program. • We explored international experiences and care models of outreach specialist cancer services.
Critically examine and redesign clinical service models in cancer.	• During 2007–08, $1.9 million was allocated to support 24 projects under Round 1 of the Health Services Innovation Grant program. • The Standard Cancer Treatment (CI-SCaT) website increased its user base.
To provide timely individual support to the level and detail required for patients and carers.	• We conducted the first cancer patient experience survey in NSW. • We provided $100,000 annually to support the Cancer Helpline, run by the Cancer Council NSW.
To develop highly skilled cancer professionals, sub-specialised where appropriate, linked to future patient demands.	• We developed a strategy for professional development and 17 clinicians attended a Leadership and Strategic Thinking Program. • During 2007–08, 17 medical clinical fellowships and three psycho-oncology clinical fellowships were offered; 13 registrar positions were funded; eight international sabbatical grants were awarded; 25 travel grants were awarded; 20 education scholarships were offered; and three clinical research grants were awarded.

Our projections tell us that over the next 10 years there will be approximately 400,000 new cases of cancer diagnosed and up to 130,000 deaths from cancer. The number of people with cancer will increase by more than 30 per cent compared with the last decade, placing a significant demand on future cancer services.

Our goal is to develop sustainable models of care with skilled professionals able to treat and support patients throughout the cancer journey.

Better coordination of specialised cancer care

During 2007–08, the Cancer Institute NSW provided funding for 142 clinical positions including directors of area cancer services, cancer services development managers, lead clinicians, psycho-oncology staff, cancer nurse coordinators and genetic counsellors.

Difficulties with recruiting delays the implementation of most projects in Area Health Services. To help with this situation, we have introduced a field officer model, where an officer has been employed by the Cancer Institute NSW and placed in the clinical setting to work on the specific project.

Multidisciplinary Care

During 2007–08, we provided $1,173,355 in grants to Area Health Services to support the administration of multidisciplinary teams (MDT). We also provided $1,648,000 to develop specific MDT projects including the development of treatment plans, outcome measures and increasing links between the public–private and metropolitan–rural sectors.

Completion of Cancer Services Accreditation Pilot Program

A pilot of proposed cancer service accreditation standards was conducted between October and November 2007. The pilot demonstrated there was support for an accreditation system as a valuable model of self-regulation, of setting standards and procedures for the quality measurement of cancer services. The pilot also identified challenges in ensuring the accreditation model would have a direct impact upon patient outcomes. The standards for cancer services will be published shortly.

Finding the best for outreach specialist cancer services

We completed a literature review to identify Australian and international best practice models in the delivery of outreach services. The review was presented to the Rural NSW Oncology Group. The findings around effective models of service design and delivery are currently being incorporated into a research publication and will be used in upcoming performance improvement initiatives.

CanNET

The Cancer Service Networks National Demonstration Program (CanNET) was initiated in June 2007 and will be completed in June 2009. This program is in partnership with Cancer Australia and enhances access to cancer services through managed clinical networks. The NSW project, the Northern NSW Cancer Network (NNSW – CN) extends across the Hunter New England Area Health Service, the North Coast Area Health Service and the Northern Sydney Central Coast geographical areas. The project links primary care to specialist services, public to private facilities and aims to improve access to specialist services. The main aims of the project are to enhance the delivery of multidisciplinary care, establish treatment pathways, increase use of standard cancer treatments, create a culture of performance improvement, develop a continuous education program across the network and develop a directory of services.

Improving cancer services and professional education

Smarter models of care

Health Services Innovation grant program
The Health Services Innovation grant program aims to support the development of innovative models of service delivery in cancer services across both the public and private sectors. The program has a coaching component to develop skills among cancer professionals in evaluation and project management. Over 2007–08, $1.9 million was allocated to support 24 projects under Round 1. A collated report containing outcomes for all Round 1 projects will be developed and results will be shared broadly with cancer clinicians and key stakeholders in 2008–09.

Standard Cancer Treatment and Management Pathways Program
The Standard Cancer Treatment program (CI-SCaT) aims to develop and maintain evidence-based cancer treatment protocols via a secure web-based application that is available statewide to clinicians, patients, and carers. We have extended the resource's user base, with a 40 per cent increase in monthly hits (327,000 to 459,000), a 58 per cent increase in user sessions (9,800 to 15,500) and a 39 per cent increase in registered calculator users (from 556 to 773). We have also expanded the available information, with the total number of protocols increasing from 590 to 960 (63 per cent increase), and the commencement of content development in the areas of cancer genetics and palliative care.

Cancer patient survey findings

Inpatients:

AREAS OF STRONG PERFORMANCE	AREAS OF IMPROVEMENT
Availability of nurses.	Staff did everything to control pain.
Patients were treated with dignity and respect.	Nurses discussed anxieties or fears about the condition or treatment.
Doctors and nurses worked well together.	Patients have confidence and trust in nurses.
Courtesy of nurses.	Patients got help to the bathroom when needed.
	Nurses responded quickly to call button.
	Patients felt comfortable asking medical staff questions about condition or treatment.
	Ease of finding someone to talk to.
	Staff provided enough information regarding patient rights and responsibilities.

Providing support to patients and carers

The patient experience
The *Cancer Patient Satisfaction Survey 2007* was designed to measure the experience of cancer patients and to obtain their opinion. The Cancer Institute NSW partnered with NSW Health to better understand trends across the State related to cancer care and to identify opportunities to improve cancer care in NSW by addressing unmet needs. For the first time we were able to measure the patient's experience directly and identify what they rated highly and where more effort is needed.

Cancer inpatients: main findings
Out of 1,349 cancer inpatients who were invited to participate in the 2007 NSW Health Patient Survey, a total of 616 cancer inpatients across NSW completed the survey (response rate of 50.5 per cent). More than 90 per cent of cancer inpatients across NSW rated the overall care that they received as excellent, very good or good.

Patient support and information

Cancer Council Helpline
A five-year partnership between the Cancer Council NSW and the Cancer Institute NSW commits the parties to coordinate cancer control initiatives for people in NSW. The Cancer Institute NSW provides $100,000 annually to support the Cancer Helpline, run by the Cancer Council NSW.

Cancer outpatients: main findings

The Survey was sent to 7,452 cancer outpatients treated at 16 selected facilities across NSW in February 2007. A total of 4,129 cancer outpatients participated in the survey, achieving a response rate of 57.8 per cent. More than 97 per cent of cancer outpatients across NSW rated the quality of the overall care that they received in the past six months as excellent, very good or good.

Outpatients:

AREAS OF STRONG PERFORMANCE	AREAS OF IMPROVEMENT
Patients received services they needed in past six months.	Staff went out of way to help.
Staff did everything to treat the cancer.	Staff provided enough information regarding patient rights and responsibilities.
Patients were treated with dignity and respect.	Staff did everything to control pain and discomfort.
Patients trusted staff with confidential information.	Patients knew next step in care.
Quality of care at the hospital in the past six months.	
Staff knew enough about cancer therapies.	
Handling of transfer of case between specialist groups.	

Through the *Cancer Patient Satisfaction Survey 2007*, we identified a number of key areas for improvement in clinical services. The results reinforce the need for improved systems and greater use of evidence-based management pathways and triage tools related to patient distress. The Cancer Institute NSW plans to work with NSW Health to repeat the survey annually. We will then use the results to encourage change and improvement in cancer care and cancer services in NSW.

In 2007–08, we awarded a number of grants to cancer professionals in NSW

Clinical Fellowships

During 2007 eight one-year medical Clinical Fellowships were offered and three Psycho-oncology Clinical Fellowships. In 2008, an additional nine medical Clinical Fellowships were awarded. During this time, fellowships were awarded to clinicians working in the following areas: breast, genetics, medical oncology, radiation oncology, surgical oncology, pathology and psychology.

Registrar Program

Limited opportunities for registrar training in the rural sector and the benefit of metropolitan-rural partnerships led to the strategically designed Registrar Program for advanced trainees. The program provides a years training in specialities and rural areas, enhancing the cancer workforce, and cancer service delivery. Six registrar positions in 2007 and seven in 2008 were funded.

Academic Chairs Grants

The Cancer Institute NSW has been instrumental in developing and funding academic chair posts in radiation oncology, radiation therapy, medical physics, cancer nursing and palliative care medical and nursing. During 2007–08, these key positions have contributed to the education and development of the oncology workforce and provide academic and clinical leadership to cancer services.

International Sabbatical Grants and Travel Grants

A number of professional development grants were offered by the Cancer Institute NSW, designed to build cancer knowledge, skills, retention of the workforce and translation of innovation in cancer services.

During 2007 five International Sabbatical Grants were awarded. The number increased in 2008, with a further six grants provided to NSW clinicians. The grant allows senior cancer clinicians to travel to centres of cancer excellence to experience and learn about the latest cancer evidence for translation into NSW cancer settings.

The Travel Grant provides an opportunity for clinicians to present research findings to peers and to learn about new cancer treatments. During 2007 14 Travel Grants were awarded. The number was slightly lower during 2008, with 11 successful applicants.

Education Scholarships

During 2007 eight Education Scholarships were offered. Scholarship holders were from the disciplines of genetics, nursing, radiation therapy and social work. During 2008, a further 12 scholarships were offered with most awarded to nursing applicants.

Clinical Research Grant

The clinical research grant commenced in 2008, designed to build the research capacity in allied health cancer clinicians. Three grants were awarded to the disciplines of two in nursing and one in physics.

Leadership Program

We arranged for 17 senior staff representing Directors of Cancer Services, Cancer Service Development Managers and Lead Clinicians to attend strategic leadership training and coaching. The overall aim of the program was the further development of best practice in leading and managing cancer care in NSW.

Our plans for the future

Better coordination of specialised cancer care

- Developing key performance indicators for multidisciplinary teams (MDTs) and Cancer Services measuring patient outcomes.
- Working with the Area Health Services to establish key performance indicators for cancer clinical services.

Smarter models of care

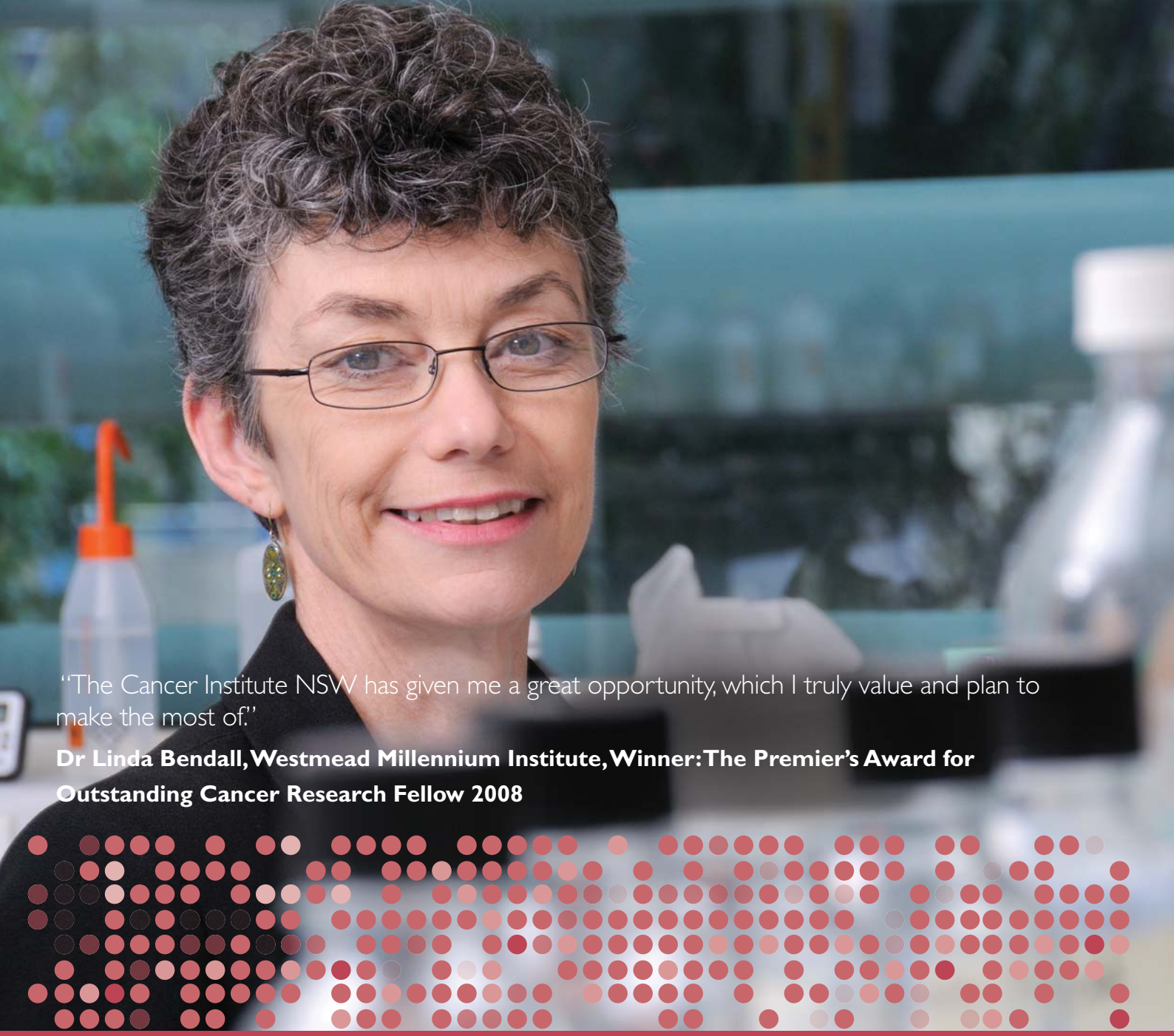
- Developing business process review and improvement projects for chemotherapy units across the State.
- Rolling out Round 2 of the Health Service Innovation program.
- Rebuilding the CI-SCaT website; redesigning the format and granularity of the existing information, and to improve the search engine capabilities.

Comprehensive patient support

- Reviewing current strategies for patients in response to the *NSW Cancer Patient Survey*.

Skilled cancer professionals

- Externally evaluating the skilled Cancer Professionals Program.
- Competency framework for cancer nurses.



"The Cancer Institute NSW has given me a great opportunity, which I truly value and plan to make the most of."

Dr Linda Bendall, Westmead Millennium Institute, Winner: The Premier's Award for Outstanding Cancer Research Fellow 2008

At the recent Premier's Awards for Outstanding Cancer Research, held in May each year, Dr Linda Bendall – head of the Leukaemia Cell Biology Group at the Westmead Millennium Institute – took out the award for Outstanding Cancer Research Fellow 2008. An honour well deserved, as her research could help thousand of families whose children suffer from leukaemia.

Her research involves examining new ways of treating Acute Lymphoblastic Leukaemia (ALL) by understanding how cells talk to each other and interact.

"We have identified a chemokine – or protein – CXCL12, which is a regulator of ALL cells, meaning it has a significant influence on how leukaemic cells divide and grow," says Dr Bendall.

"We know that the interaction between the leukaemic cells and these other cells helps to support their survival and growth, and it also protects them from currently used chemotherapeutic agents," she says. "So if we can interrupt that interaction, we may be able to enhance the efficiency of current treatments."

Dr Bendall hopes her research will be helping people with leukaemia sooner rather than later. "We expect to see agents that inhibit some of these pathways in clinical trial in the next year or so," she says.

Dr Bendall's research has been supported by a grant from the Cancer Institute NSW, which she says has made a significant contribution to the timing and effectiveness of her work.

"For the first time we were able to work more efficiently by using what have previously been prohibitively expensive technologies," she says. "We have also been able to revolutionise the system we use for our preclinical work by purchasing equipment that dramatically improves workflow. These factors have contributed to a significant increase in our productivity and made possible experiments we simply could not have undertaken previously."

Accelerating improvement through research

OBJECTIVE	HIGHLIGHTS
Rapid uptake of research discoveries into clinical practice.	We currently fund six translational programs covering: drug discovery and development; biomarkers; and early detection, gene and protein expression.
Support high quality successful and productive cancer researchers in NSW.	In 2007–08, we invested almost $22 million in long-term grants for cancer researchers in NSW.
Provide research platforms and processes to facilitate high quality cancer research.	We have 29 ongoing Research Infrastructure Grants totalling at $10.1 million in future commitments.
Increase clinical trials participation to 10 per cent of new cancer patients.	We developed a statewide portfolio of trials and web-based listing of actively recruiting trials.
Increase quality and quantity of trials available to cancer patients.	In 2006–07, the Cancer Institute NSW provided further support for clinical trial units across NSW.

Investment in research will lead to improved survival and quality of life for future cancer patients.

Investing in the future

Investment in cancer research has become a priority across the world, acknowledging the rising burden of cancer on society and, in particular, on healthcare budgets.

There are compelling reasons for NSW, as Australia's most populous state, to continue to be active in world-class biomedical and health research, particularly in areas such as cancer. NSW has a substantial medical and health research capacity, including strengths in many areas of biomedical, clinical, public health and health services research.

Developing a local research capacity will not only assist in the global research effort to control cancer, but will allow NSW to more effectively use and build upon results from elsewhere. It will also place NSW in a better position for tackling local health problems and encourage a research-oriented health system that is able to rapidly incorporate the most recent evidence-based medicine into practice.

The NSW Cancer Research Program has been an integral component of the current and previous NSW Cancer Plans. High quality cutting-edge research provides the evidence that will facilitate rapid improvement in cancer prevention, diagnosis and treatment and the subsequent improvements in survival and quality of life of cancer patients. Creating strong links between research and health services can result in the highest standard of care for NSW cancer patients.

Fostering research expertise by supporting careers

The Cancer Research Careers Program increases the cancer research capacity of NSW by supporting talented researchers at all stages of their careers. Future success in cancer research will depend on attracting and retaining talented individuals to choose cancer research as their career.

Our ongoing commitment to key infrastructure

In addition to supporting researchers, the Cancer Research Infrastructure Program encourages the development of world-class research technology and technical expertise within NSW. This includes funding for both physical and non-physical infrastructure, such as support staff.

In 2007–08, there were no infrastructure grants awarded by the Cancer Institute NSW. However, we have 29 ongoing Research Infrastructure Grants totalling $10.1 million in future commitments, and our total expenditure for 2007–08 was $3.1 million.

Evaluation of Cancer Institute NSW-funded equipment revealed that grant recipients reported $16.3 million of new funding related to the equipment purchased. This included more than $5.8 million of funding directly attributable to the equipment, with $5.7 million of this coming from outside NSW.

AWARD	NUMBER AWARDED	AMOUNT	START DATE
Career Development and Support Fellowships	17	$8,988,123	January 2008
Clinical Research Fellowships	3	$2,338,245	January 2008
International Clinical Research Fellowships	2	$287,750	February 2008
Early Career Development Fellowships	11	$6,020,906	January 2008
Research Scholar Award	18	$925,000	January 2008
Cancer Research Leader Program Grant	1	$3,250,000	January 2009

Accelerating improvement through research

Translating research discoveries into clinical practice

A key goal of the *NSW Cancer Plan* is to increase the capacity of NSW to quickly translate research discoveries into better treatments and cancer prevention. The gap between research innovation and implementation in clinical practice remains a concern. The facilitation of research translation is a focus of our ongoing funding efforts.

Six large translational research programs, which bring together experts focused on taking innovative research discoveries into the clinic, are being supported within the State by the Cancer Institute NSW.

In April 2008, mid-term evaluation reviews of three of these research programs were undertaken by an inter-state evaluation committee. The committee overall found that "the translational research programs reviewed were three excellent programs and were deemed to be among the best cancer research in the State".

Developing a world-class clinical trials network

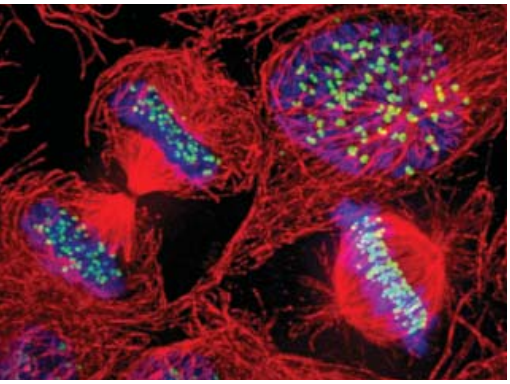
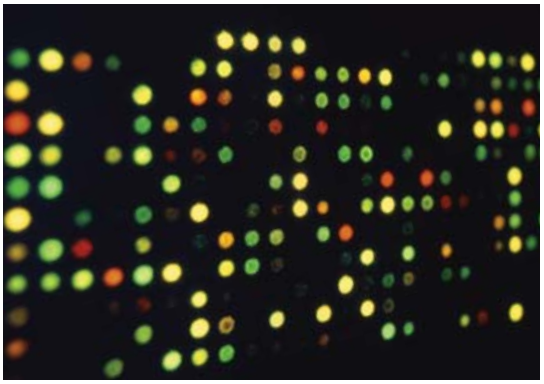
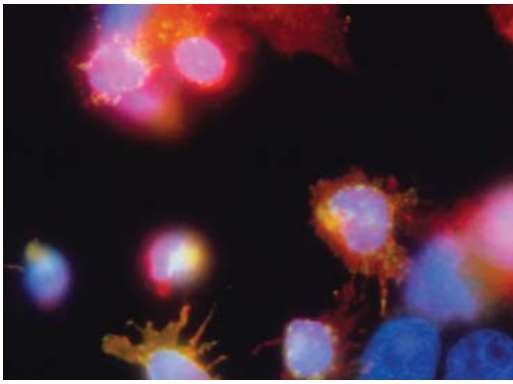
The NSW Cancer Trials Network has been established to develop high quality cancer clinical trials in NSW, introduce and study new cancer treatments, increase participation rates in cancer trials and promote a culture of research and innovation in cancer services.

Greater participation in clinical trials and faster recruitment times for these trials will ensure that results are attained faster and the time to translation of promising therapies into clinical practice will be shortened.

During 2007–08, the Cancer Institute NSW Clinical Trial Program has continued to support key infrastructure and personnel to undertake clinical trials across NSW. The Clinical Cancer Research Support Grants have provided funding to Area Health Services (AHS) to appoint a clinical cancer regulatory affairs officer to facilitate and streamline the processes of ethical review and Governance approval within each AHS. These positions are supported by the directors of clinical cancer research appointed within each AHS to develop a strategic approach to improving the access to trials for participants, as well as increasing the number of high quality trials available at institutions within their Area. These grants provided $980,000 over this period.

Funding for cancer trials nurses and data managers is continuing, with a total of 68 personnel supported across the State. The total value of this program is $3.65 million per year, which includes administration of the $1.18 million in funding provided by The Cancer Council NSW.

AREA	RESEARCH	INSTITUTE
Drug discovery and development.	Molecular targeted therapy: pathways to drug discovery.	Children's Cancer Institute Australia for Medical Research.
	Anti-mitochondrial cancer drug.	University of NSW.
	Novel gene-targeted therapies for basal cell carcinoma.	University of NSW, University of Sydney.
Biomarkers.	Identification and validation of molecular markers of prognosis and therapeutic responsiveness in prostate cancer.	Garvan Institute of Medical Research.
	Use of proteomic analysis to improve the management of colorectal cancer (CRC).	ANZAC Research Institute.
Early detection, gene and protein expression.	Translational Research Program.	Sydney Melanoma Unit.

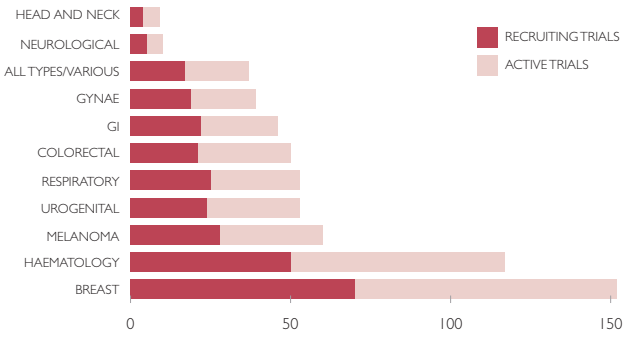




Increasing clinical trial participation

The collection and analysis of clinical trial activity data for 2007 showed a continued overall increase in clinical trial activity. The number of recruiting trials has increased from 175 in 2004 to 285 in 2007. Similarly, the patient activity has continued to increase with a total of 2,131 patients enrolled on trials in 2007, and 6,491 patients active on trial at the end of 2007. This represents more than five per cent of new cancer patients enrolled on clinical trials in 2007.

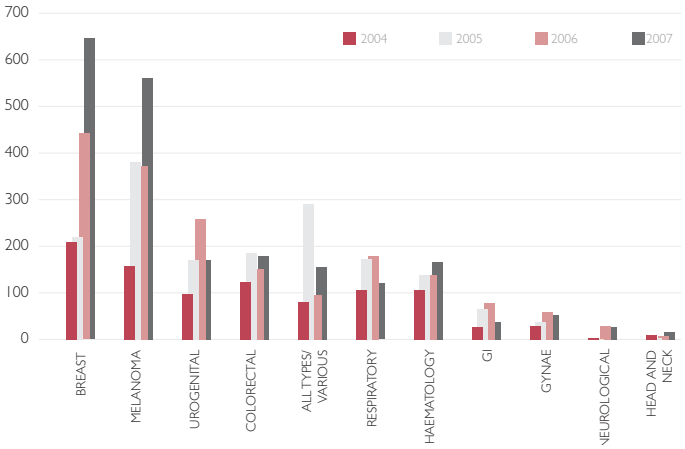
Breast cancer and haematology oncology had the highest numbers of active trials in 2007. Breast cancer and melanoma demonstrated the highest numbers of patients, both newly enrolled and in follow up. The rate of increase in patient activity for these tumour groups is also significantly higher than other groups.

Trials by Clinical Grouping 2007



The focus over 2007–08 has been to increase collaboration and communication between trial units; increase efficiency in trial administration; and increase activity for cancer clinical trials throughout the State. While the number of clinical trials and patient enrolment are increasing steadily, there remains concern about the concentration of trials within a small group of cancer sites.

Patient enrolments by clinical grouping



Clinical trial web listing

A key aim of the Clinical Trials Program is to make more clinical trials available to cancer patients. One of the main initiatives has been the development of a statewide portfolio of trials and web-based listing of actively recruiting trials. The list of trials, which has been published on the Cancer Institute NSW website, consolidates the information of units across NSW at which trials are being conducted. This website listing of trials provides a resource for patients and carers seeking information on trials which are currently available along with a list of NSW units at which these trials are being conducted, and links to clinical trials registry data.

Future plans

In many ways 2008–09 represents an interim year that will see the peak of recurrent funding from previous years' grant allocation, leaving only limited capacity to launch major new programs. Therefore, the focus will shift towards a consolidation of our research funding programs and the implementation of a rigorous evaluation process that will inform future strategic directions.

As a consequence of the budgetary commitments, 2008–09 will see a reduced offer of grant schemes, with a particular focus on infrastructure equipment and innovation grants.

A new round of clinical trial nurses and data managers will be targeted towards the establishment of clinical trials capacity in underrepresented cancer types.

"I would like cancer information and registries in NSW to become the best source of reliable and meaningful data that can be utilised to improve cancer care and outcomes for the people of NSW."
Dr Val Poxon, Project Manager / Cancer Information Manager, Sydney South West Clinical Cancer Registry

When the Cancer Institute NSW began funding clinical cancer registries in 2005, Val Poxon, who was working in surgery at Sydney South West Area Health Service (SSWAHS), jumped at the chance to take part. For the past eight years, she had been working on consolidating data in a colorectal cancer database and converted the database into a cancer registry: a resource that was used and valued by a number of surgeons for research and quality improvement projects.

"When the Clinical Cancer Registry project was launched, SSWAHS opted to take part and expand the colorectal cancer registry to include all the notifiable cancers," she says.

"The AHS Clinical Cancer Registries collect data on all newly diagnosed patients with a notifiable cancer who are investigated and receive any part of their treatment in a public hospital," says Val. "It is important for the people of NSW to know that this data is collected, as it provides the only source of information that links all the aspects of the patient's cancer journey together from diagnosis, treatment and survival. Patterns of care can be analysed to determine that patients can access appropriate cancer care, receive effective treatment that meets their needs and hopefully increase their survival and quality of life."

Val believes that the clinical cancer registries in NSW will improve cancer care and outcomes for the people of NSW. "I am hopeful that within the next five to 10 years we will have teams of trained cancer information specialists that can sustain the delivery of high quality cancer data," she says.

A vision she thinks can be realised with the Cancer Institute NSW at the helm.

"The Cancer Institute NSW is the hub of cancer. It has many spokes reaching out to every clinician that deals with any aspect of cancer and every individual that is affected by cancer in some way; either as a patient, a relative, carer or a friend of someone with cancer," she says. "It is essential that all the issues relating to cancer should be coordinated and managed centrally by one organisation and adequately funded by government."

Relevant cancer information for the people of NSW

OBJECTIVE	HIGHLIGHTS
To provide a single accessible, credible source of clinical and population data on cancer.	• One million cancer cases processed by the NSW Central Cancer Registry since 1972. • Five Area Health Service Clinical Cancer Registries complete collection of 2006 cancer data.
Using existing health data to answer important questions on the quality of services and document cancer outcomes.	• Nearly 20 million health records have been linked to provide a basis for new research into cancer and improved cancer outcomes.
Provision of accessible cancer data to key users.	• Seven papers published in peer-review journals. • Seven reports published about cancer in NSW. • 200 ad hoc data requests completed.

Cancer data and information are needed to understand the impact of cancer on the community of NSW. The effect of interventions aimed at preventing cancer, detecting it early, improving therapy or applying new research discoveries must be fully documented and understood. Cancer registry data is also needed to clearly identify where results are good or inadequate and where more focussed cancer programs are needed to further improve cancer survival.

Relevant cancer data will identify key trends, successes and emerging cancer problems.

Providing a single, accessible, credible source of clinical and population data on cancer

Collecting more data to inform about cancer in NSW

In 2005, we recognised the value and importance in collecting treatment and cancer-stage information to monitor quality of care (at a clinician, facility and state level) and to facilitate service planning (at an area and state level). We provided funding to five Area Health Services (AHS) to start an area-based clinical cancer registry, with a view to collect data for all incident cancers diagnosed and treated in their AHS.

In February 2008, all five Areas reported they had completed data collection for all incident cancers diagnosed in 2006 and treated in their AHS. This data includes stage and treatment (surgery, radiotherapy and chemotherapy).

Best practice for a registry dataset, like the AHS Clinical Cancer Registries, is to collect diagnostic information within six to nine months of a cancer diagnosis; and treatment information within nine to 18 months. To complete collection for 2006 diagnosis by Feb 2008 is an achievement; especially given these are a brand new data collection. No other state in Australia has collected this information on such a large scale.

Using existing health data to answer important questions about the quality of services and document cancer outcomes

The Centre for Health Record Linkage (CHeReL) was established in 2006, under the *NSW Cancer Plan*, to provide an ethical method to link existing health databases and protect privacy, while also answering key questions aimed at improving cancer outcomes in NSW.

In 2007–08, we nearly doubled the number of records in the Master Linkage Key from 11 million records by 30 June 2007 to almost 20 million records by 30 June 2008. This included loading 12 years of data covering the Central Cancer Register data for the years 1994–2005.

We also undertook six linkage projects for cancer-related research studies involving the Central Cancer Registry.

Publishing relevant information for our peers and the people of NSW

2007–08 was a productive year for reports and monographs about cancer in NSW. We produced seven reports from the Information and Registries Division:

- *Bowel Cancer in NSW.*
- *Thyroid Cancer in NSW.*
- *Cervical Screening Annual Statistical Report 2005.*
- *Cancer Incidence and Mortality Projections in New South Wales: 2007–2011.*
- *Survival from cancer in NSW: 1980 to 2003.*
- *Cancer in New South Wales: Incidence, Mortality and Prevalence Report 2005.*
- *Unknown Primary Cancer in New South Wales 1980–2003.*

Relevant cancer information for the people of NSW

The facts about cancer in NSW

The report, *Cancer in New South Wales: Incidence, Mortality and Prevalence 2005*, is the most comprehensive overview of cancer published in NSW.

For the first time, we included the prevalence of cancer in NSW. Cancer prevalence is the proportion of individuals in a population who at some stage during their life have been diagnosed with cancer and who are alive at a point in time. Our data showed that in 2005, more than 221,000 people were living with cancer in NSW or were cured of the disease. Of these cancer survivors, 64 per cent had breast cancer, melanoma, prostate or bowel cancer.

Usually, people with cancer have a greater use of health services than the general population and for this reason prevalence data are useful for planning the allocation of health resources.

We also detailed 35 years of cancer registration in NSW, which showed our progress in the control and cure of cancer. Of particular note, we found that lung cancer represented 21 per cent of all cancers in 1972, but only nine per cent in 2005. However, prostate cancer has increased from 12 per cent of all cancers in males in 1972 to 31 per cent in 2005.

Cancer in New South Wales: Incidence, Mortality and Prevalence 2005 has proved to be one of the most popular reports among the general public and our peers to date. Since December 2007, the report was downloaded from our website on more than 90,000 occasions.

Survival from cancer in NSW

In October 2007, we produced the first *Survival from Cancer in NSW*. In the report, we documented the chances of surviving cancer in NSW over a 24-year period from 1980. It showed there has been remarkable improvement in cancer survival in this period, but especially for the most common cancers: prostate, bowel and breast cancer.

This report was downloaded from our website more than 12,000 times.

The tumour series

We are also producing a series of reports that highlight specific cancers. These reports provide more detailed information to inform research and service planning for specific tumours. The first two: *Bowel Cancer in NSW* and *Thyroid Cancer in NSW* were published in December 2007 and April 2008 respectively.

Provision of accessible cancer data to key users

In addition to our reports and publications, there has been a large increase in the number, range and complexity of requests for data received by the NSW Central Cancer Registry. For 2007–08, 200 ad hoc data requests were completed. This is a substantial increase from 2006–07, when around 50 requests were received. An increase in requests for information may indicate that there is increased research activity across a range of settings in NSW, plus an increase in the profile of the Cancer Institute NSW and the data collections it holds.

Improving business processes

The NSW Central Cancer Registry operations and organisational structure was reviewed by the Internal Audit Bureau to: evaluate data, patient recruitment and communications processes; and assess the current and future business processes, identify the required skill sets and improve the organisational structure. We will be implementing the recommendations in 2008–09.

Structured Pathology Reporting Standards for Cancer

The Cancer Institute NSW secured funding in February 2008 from the department of Health and Ageing (Quality Use of Pathology Programs) to work with the Royal College of Pathologists of Australasia and Cancer Australia to develop six reporting protocols (lung, melanoma, breast, colorectal, lymphoma and prostate) and a structured pathology toolkit. The aim of the project is to create a national sustainable standard for structured pathology reporting of cancer.

Sharing knowledge with our peers

In 2007–08, our staff were involved in the submission of seven articles in national and international peer-review journals based on our research about cancer in NSW. Subjects included:

- High-grade cervical abnormalities and screening intervals in NSW: *Journal of Medical Screening.*
- Exploring contrary trends in bladder cancer incidence, mortality and survival: implications for research and clinical care: *Australian New Zealand Journal of Public Health.*
- Survival and degree of spread from female breast cancers in NSW 1980–2003: *Journal Cancer Causes and Control.*
- Reasons for improved survival from Ovarian Cancer between 1980 and 2003: *International Journal of Gynaecology.*
- Future Cancer Trends to be influenced by past and future migration: *Australian and New Zealand Journal of Public Health.*
- Second Malignant Neoplasms after Childhood Leukemia and Lymphoma: *An International Study: Journal of the National Cancer Institute.*
- Risk of second malignant neoplasms after childhood central nervous system tumours: An International Study: *European Journal of Cancer.*

Our future plans

To provide a single, accessible, credible source of clinical and population data on cancer:

- Develop a mechanism for incorporating clinical information, such as stage and treatment into the NSW Central Cancer Registry.
- Put together an appropriate governance framework and operational arrangements, supported by information technology and standard operating procedures.

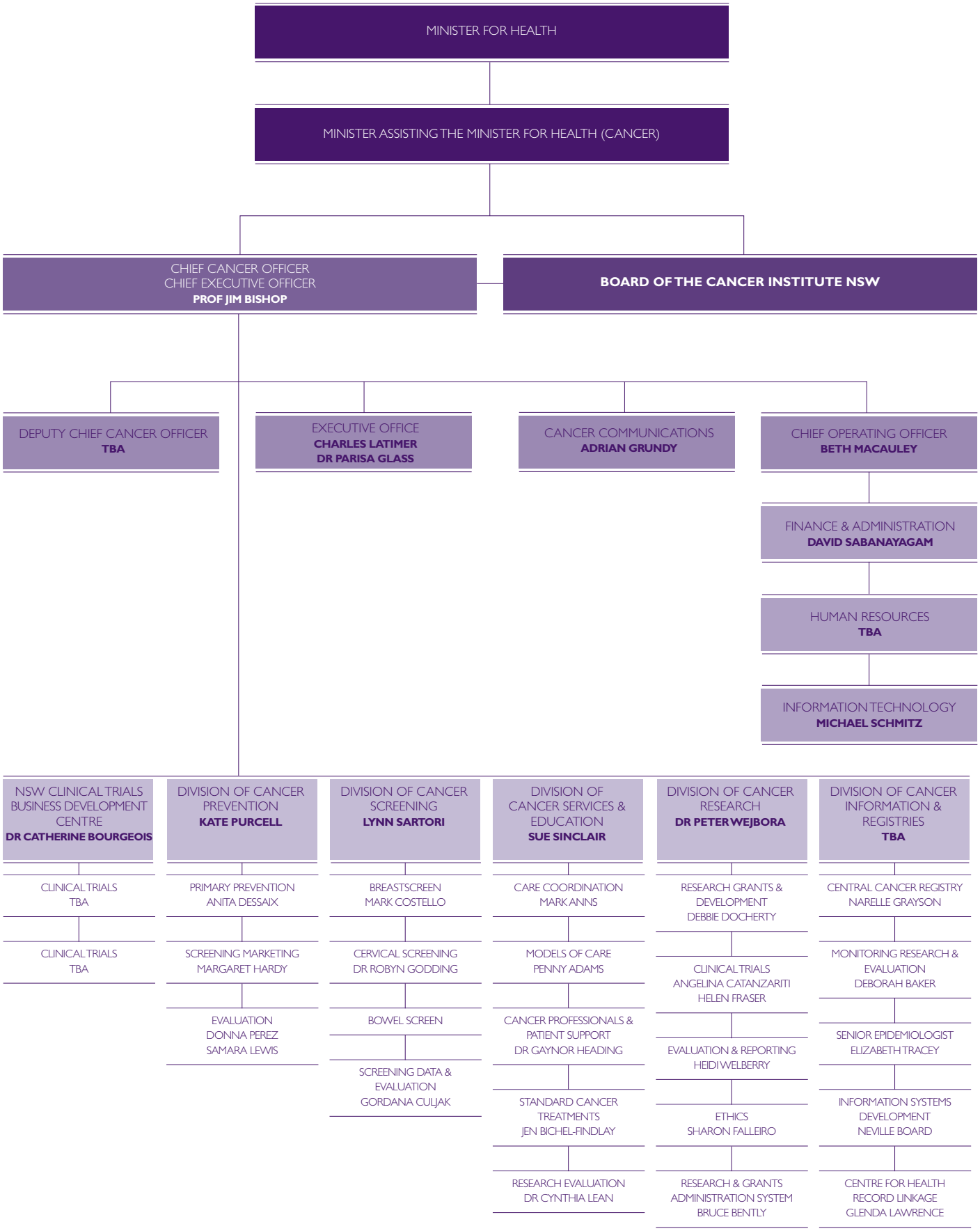
Using existing health data to answer important questions about the quality of services and document cancer outcomes:

- Continue the existing program of Master Linkage Key updates.
- Increase the number of linkage projects undertaken in 2008–09.
- Continue a program of continuous quality feedback and officer training to ensure high quality outcomes.
- Undertake a hardware upgrade project in 2008–09, which will ensure that the information technology infrastructure meets current and projected demands for processing throughput and disk storage.

Provision of accessible cancer data to key users:

- Develop an online reporting and analysis solution to enable stakeholders to disaggregate data according to their needs and access data in a more timely fashion.
- Five reports will be published about different tumour sites in NSW.
- The report, *Cancer Incidence and Mortality Projections in New South Wales: 2007–2011* will be updated.
- The *Cervical Screening Annual Statistical Report 2006* will be published.
- The *Cancer in NSW: Incidence and Mortality Report 2006* will be published.
- The Central Cancer Registry Web-Based Reporting module will be updated with 2006 data.
- Papers on bladder cancer, brain cancer and cancer in adolescents and young adults will be submitted to peer-reviewed journals.

Organisational chart*



* As at 30 June 2008

Corporate Governance Statement

The Board of the Cancer Institute NSW

The Cancer Institute NSW is a statutory body governed by the Cancer Institute NSW Board appointed by the Minister for Health, and the Minister Assisting the Minister for Health (Cancer).

The Board membership consists of nine non-executive members and the Chief Cancer Officer and CEO. Board Members are appointed for a term of three years by the Minister under the *Cancer Institute (NSW) Act 2003*.

The Board seeks to ensure that at any point in time its membership comprises persons with the appropriate mix of skills, knowledge, specialist expertise and availability to maximise its effectiveness and contribution to the organisation.

The role of the Board

The Board has responsibility for the organisation's broad policies and determines strategic priorities and exercises its functions, responsibilities and obligations under the *Cancer Institute (NSW) Act 2003*.

The Board delegates responsibility for the management of the Cancer Institute NSW through the Chief Cancer Officer. The Chief Cancer Officer is accountable to the Board for all authority delegated to executive management.

Board meetings

During 2007–08, the Board met on six occasions. Attendance of Board Members at these meetings is listed below.

Board member attendance 2007–08

MEMBERS	MEETINGS ATTENDED	NUMBER OF MEETINGS ELIGIBLE
The Hon Peter Collins AM QC (Chairperson)	3*	4
Professor Jim Bishop AO	6	6
Ms Jill Boehm AM	6	6
Ms Liza Carver	4	6
Dr Patrick Cregan	5	6
Dr Paul Moy	5	6
Professor Robert Sutherland	4	6
Professor John Simes	6	6
Mr John Stubbs	5	6
Dr Helen Zorbas	5	6

* The Chairperson, the Hon. Peter Collins AM QC was on military service leave approved by the Minister during the period July to October 2007. During this period Ms Jill Boehm AM was Acting Chairperson of the Board.

Board governance instruments

The Board has developed a number of key governance instruments to provide guidance for the organisation and to ensure a high level of accountability:

- **Statement of Strategic Intent**
  The Statement of Strategic Intent defines strategic priorities through to govern and guide the organisation's strategic position in cancer control in NSW in conjunction with the *NSW State Cancer Plan*. The Statement of Strategic Intent was reviewed, updated and approved in February 2008.

- **Board Charter**
  A Board Charter has been drawn up to ensure consistency with Board objectives, responsibilities and governance standards. The Charter outlines key responsibilities of the Board to: Develop the policies and identify strategies necessary to enable the Cancer Institute NSW to improve cancer control in NSW; Review and monitor the performance of the CEO; Ensure appropriate policies and procedures are in place to manage risks and comply with applicable laws and regulations; and approve and monitor financial reporting and budgets. The Board Charter was reviewed, updated and approved in February 2008.

- **Code of Conduct**
  The Board of the Cancer Institute NSW has adopted a comprehensive Code of Conduct and Ethics that is consistent with best practice. The code outlines the fundamental values and principles that define the standards of behaviour expected of the Board of the Cancer Institute NSW.

- **Register of Interests**
  In accordance with the *Cancer Institute (NSW) Act 2003* a register of interests and a conflict of interest register is maintained and updated for all Board Members. Board members are required to advise of any perceived or actual conflicts of interest at the commencement of all Board meetings.

Committees of the Board

The Board is advised on specific matters by a number of committees. These include an Audit and Risk Committee; an Ethics Committee; a Clinical Services Advisory Committee; a Research Advisory Committee; a Quality and Clinical Effectiveness Advisory Committee; and other committees as the Board considers appropriate to provide advice and assistance to the Board in carrying out its functions.

Each committee has the function of providing independent advice, in its respective area of expertise, to the Board on:

(a) the priorities of the Cancer Institute NSW in achieving its objectives

(b) such other matters as the Board from time to time requests.

The Ethics Committee, Clinical Services Advisory Committee, Quality and Clinical Effectiveness Committee and Research Advisory Committee, in additional to being statutory, are all independent of the Board. Non-Board members serve as the majority of committee members and as the chair of each committee. Details of these committees are included in the appendixes.

Corporate Governance Statement

2008 Board Strategy Day

The Board held a Strategy Day on 24 May 2008 at the Park Hyatt Hotel Sydney. The day's proceedings included a number of external guest discussions with the Minister Assisting the Minister for Health (Cancer) the Hon Verity Firth MP, Dr Simon Sutcliffe, President of the British Columbia Cancer Agency and Mr Michael Reid, Chief of Staff to the Hon Nicola Roxon, Federal Minister for Health and Director-General designate for Queensland Health.

As a result of discussions at the Board Strategy Day, four specific purpose briefing papers are being developed for the Board to advise on good corporate governance measures; human resource and succession planning issues; evaluation and reporting of Cancer Institute NSW program impact; and strategic positioning of the Cancer Institute NSW in the health sector and the community.

Board Performance Review

The Board undertakes an annual performance review of its activities and effectiveness.

As part of the 2008 Board Strategy Day, PALM Consulting was engaged to undertake a Board Performance Review with each board member and the results were presented to the full Board for discussion on 24 May 2008. The results of the Review found broad satisfaction with the operations of the Board and the degree of interaction with the Chief Executive Officer.

Audit and Risk Management Committee

The Core Executive has approved a formal charter to govern its role as the Audit and Risk Management Committee. Internal and external auditors and other experts may be invited to attend the meetings to provide direct reports.

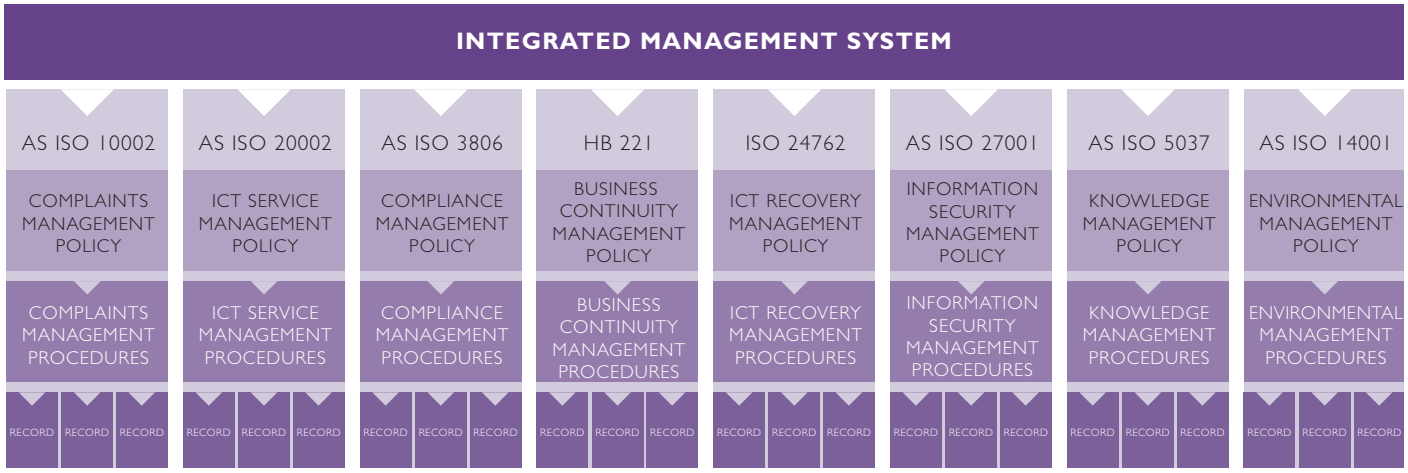
The functions of the Committee are to assist the Chief Executive to:

- fulfil our statutory and fiduciary responsibilities relating to reporting, accounting policies, financial practices and procedures and the internal control systems
- maintain effective and efficient compliance and audit functions
- monitor the effectiveness of the internal and external audit function
- assist in identifying areas of significant business risks
- maintain an effective and efficient business risk management framework
- monitor an action list for minimising and managing risk.

Our business processes

As a relatively young organisation, the Cancer Institute NSW has developed and deployed a number of business process management systems and instruments since our initiation. These include a Risk Management Framework, a Corporate Governance Framework, an Occupational Health & Safety system, an Information Security Management System and an Information Technology Business Continuity Management system. Since their deployment, we have continually reviewed and improved each system. While the systems each independently function well, we see benefit in combining their common elements into an Integrated Management System (IMS) across the entire organisation. Such an integrated approach enables further International and Australian Standards based management frameworks to be applied within the fabric of our daily workflows.

The diagram opposite depicts our intended IMS framework and shows the various individual management systems which are to be integrated. Corresponding references are made to relevant International (ISO) and Australian Standards (AS) with which we intend to comply.



We aim to have the IMS in place by 30 June 2009. The following sections define some of the key components of the IMS that are already in place.

Complaints Management System

The Cancer Institute NSW is actively committed to effective and efficient complaints handling. It is our organisation's intent that a strong commitment to responding to complaints will allow our staff, customers and stakeholders to contribute to the improvement of our products, services and processes.

The Cancer Institute NSW is reviewing and upgrading its complaints management framework so as to better align with AS ISO 10002 and the NSW Ombudsman's Complaints Management Guidelines. This process involves the capturing and recording of each received complaint into our centralised document management system. It also includes the actioning of each received complaint in a three-tiered escalated manner including front-line, internal investigation and external referral.

Over the past year, the majority of received complaints have been in response to our prevention social marketing campaigns and queries about the target age group for our breast screening program.

Our upgraded Complaints Management System will be in a position to provide statistical summaries of the number of complaints received, by category, in time for our 2009 Annual Report.

Business Continuity Management System

The Cancer Institute NSW is working towards a managed and documented process for developing, maintaining, testing and improving our business continuity capabilities throughout the organisation.

Our business continuity management framework is based on Standards Australia's Handbook 221 and covers each of our core business processes. It incorporates our IT Recovery Plan and our Pandemic Response Plan. These plans will be tested, reviewed and updated each year.

Information Security Management System

The Cancer Institute NSW is committed to continually improving its Information Security Management System (ISMS) based upon AS ISO 27001.

Our ISMS is concerned with maintaining the confidentiality, integrity and availability of our critical information assets (including both electronic and non electronic information, such as paper documents and records). It is aligned with our Risk Management Framework and AS 4360. It includes audited and documented processes and procedures to ensure the continued continuity, integrity and availability of our key information assets.

Our ISMS ensures that the following categories of controls are applied, maintained and assured through independent verification: documented policies and procedures, explicit allocation of information security responsibilities, physical security controls, information asset management, human resource security and vetting processes, technology based controls, documented security incident management procedures, controls to ensure availability of information, and controls to ensure ongoing compliance with statutory, regulatory and contractual obligations.

Environmental Management System

The Cancer Institute NSW is committed to developing, implementing and continually improving an Environmental Management System (EMS) across the organisation. Our EMS is being developed so as to align with AS ISO 14001.

Our EMS shall consist of a set of processes and practices that enable our organisation to reduce its environmental impact and increase its operating efficiency. Our EMS will help us to further manage our environmental 'footprint': the environmental impact associated with our activities, products, and services.

Examples of initiatives planned to be implemented over the year include the definition of 'green' targets and measurement approaches for: paper, energy and water resources, in-house recycling procedures, as well as staff transportation, supplier management and purchasing considerations.





The Board of the Cancer Institute NSW

Pictured from left to right:

Chairperson

The Hon. Peter Collins AM QC BA LLB

The Hon. Peter Collins served in the NSW Parliament from 1981 until 2003 holding a number of portfolios including Attorney-General, Minister for Consumer Affairs, Minister for the Arts, Minister for Health and Minister for the Drug Offensive in 1988–1991. He initiated funding for the Rock Eisteddfod under the Quit for Life program and expanded the event statewide for both government and non-government schools. Since 1988, this highly-successful program has gone Australia-wide and has been established in the United States and the United Kingdom. As Leader of the Opposition (1995–1998) Peter built strong working relationships with the Australian Hoteliers Association, Clubs and the Restaurant and Catering Association to pioneer policies on outdoor dining and passive smoking. He is a Commander in the Royal Australian Navy Reserve. He is also Chair of the Australian Institute of Health and Welfare and served as a member of the interim Board of The Cancer Council NSW. Peter is also a board member of the Workers Compensation Insurance Fund Investment Board and Macquarie Generation. Peter was appointed Chairperson, Board of the Cancer Institute NSW in 2005.

Chief Executive Officer

Prof Jim Bishop AO MD MMed MBBS FRACP FRCPA

Prof Jim Bishop became a Fellow of the Royal Australasian College of Physicians (FRACP) and a Fellow of the Royal College of Pathologists of Australasia (FRCPA) in haematology in 1979. He was awarded a Fulbright Scholarship to study Medical Oncology at the National Cancer Institute (NCI), USA from 1979 to 1981. At the Peter MacCallum Cancer Institute, Melbourne, he was a consultant medical oncologist from 1981 to 1995, Head of Clinical Research from 1988 and founding Director of the Division of Haematology and Medical Oncology from 1990. From 1995 to 2003, Jim was the founding Director of the Sydney Cancer Centre at the Royal Prince Alfred Hospital and Concord Repatriation General Hospital in Sydney, and directed the Cancer Service for the Central Sydney Area Health Service. He is the Professor of Cancer Medicine at the University of Sydney. Jim has been a practising Oncologist for 25 years and his particular research interests are in clinical trials, new anti-cancer drug development and new cancer therapies. He has coordinated national clinical trials in leukaemia, breast cancer and lung cancer. He has authored more than 180 scientific papers on cancer, 150 abstracts and a textbook on cancer.

He was awarded a Doctorate of Medicine by research thesis (Platelet Transfusion Therapy) in 1990 and a Master of Medicine by research thesis (Induction Therapy for Acute Myeloid Leukaemia) in 1999. Jim was appointed CEO of the Cancer Institute NSW in August 2003. In 2008, he was honoured as an Officer of the Order of Australia (AO).

Members

Ms Jill Boehm OAM RN, CM, C ORTH, M Mgt, FAICD

Ms Jill Boehm retired recently as the CEO of the Cancer Patients Assistance Society of NSW, which runs the Jean Colvin Hospital in Darling Point. She has been instrumental in developing additional rural branches of the Society and improving communication links between head office and rural branches. Jill is a registered nurse and representative of the NSW Nurses Registration Board on Professional and Tribunal matters, a Fellow of the Australian Institute of Company Directors and is a member of the Board of The Cancer Council NSW. Jill was awarded the Order of Australia Medal in 2007 for service to the community through advocacy and support for people with cancer, their families and carers. She was nominated for the NSW Women's Honour Role in 2005 for her role as CEO of CanAssist and as a member of the Steering Committee building an accommodation facility for cancer patients and their carers at Wagga Wagga NSW. Jill is also a member of the Australian Government Gene Technology Ethics and Community Consultation Committee. Jill was appointed to the Board of the Cancer Institute NSW in 2003 and reappointed in 2006.

Ms Liza Carver BEc, LLB, LLM

Ms Liza Carver is a Partner in the law firm, Gilbert + Tobin. She is a Commissioner of the Australian Energy Market Commission, a former Non-Executive Director of RailCorp NSW, a former Non-Executive Director of the Rail Infrastructure Corporation, a former Non-Executive Director of State Rail Authority of NSW, a former Non-Executive Director of Rail Access Corporation and has served as an Associate Commissioner with the Australian Competition and Consumer Commission, a member of the NSW Independent Pricing and Regulatory Tribunal, and a member of the NSW Premier's Council for Women between 1995 and 1999. Liza was appointed to the Board of the Cancer Institute NSW in November 2006.





Dr Patrick Cregan MBBS, FRACS
Dr Patrick Cregan is a specialist cancer surgeon based at Nepean Hospital, with a major interest in breast, endocrine and endoscopic surgery. He has a particular interest in surgical robotics, having performed Australia's first and the world's sixth Telesurgical procedure. Other interests include research in mathematical modelling of cancer, patient communication and the application of advanced technologies. Patrick has served on a number of committees/ boards including the Royal Australian College of Surgeons, Wentworth Area Health Service, NSW Health Clinical Council and the Australasian Medical Simulation Society. Patrick is currently the Medical Director of a private medical technology and research company, Medicvision. Patrick was appointed to the Board of the Cancer Institute NSW in 2003.

Dr Paul Moy BA (Hons -Ec), Dip Ed, PhD (Ec)
Dr Paul Moy is Managing Director, UBS Global Asset Management and has extensive experience in investment banking, the energy, transport and utility industries. He is a former Deputy Secretary – NSW Treasury, a former Chairman of the Innovation Investment Fund, a former Director of Western Power Corporation, the Commonwealth Rehabilitation Service, Rail Infrastructure Corporation, Railcorp, the Diversified Utility and Energy Trust (DUET) and Transgrid Corporation. He is also a former Member of the National Competition Council and Australian Statistics Advisory Council. Currently, Paul is a director of Centennial Coal and Chairman of Austral Coal. Paul was appointed to the Board of the Cancer Institute NSW in 2005.

Prof John Simes BSc, MBBS, VQE, SM, FRACP, MD
Prof John Simes is the Director, National Health and Medical Research Council Clinical Trials Centre, University of Sydney; a Senior Principal Research Fellow and Professor of Clinical Epidemiology, School of Public Health, University of Sydney; Medical Oncologist, Royal Prince Alfred Hospital; Board Member, ANZ Breast Cancer Trials Group Incorporated; and Board member, Australasian Gastrointestinal Trial Group Incorporated. John has participated in a wide range of scientific committees, including the Medical Services Advisory Committee and the Project Grants Committee, NHMRC, and is currently Chairman of the Large Scale Clinical Trials Committee of NHMRC. John was appointed to the Board of the Cancer Institute NSW in 2003 and was reappointed in 2006.

Mr John Stubbs BA, Dip Acct
Mr John Stubbs is the Executive Officer of Cancer Voices Australia, a national Cancer Advocacy Group. He is a survivor of Leukaemia and an active representative of cancer consumers. He has served on the ANZ Clinical Trials Advisory Committee, the Radiation Oncology Jurisdictional Implementation Group (ROJIG) and the Therapeutic Goods Committee under the Department of Health and Ageing, and the Australian Leukaemia Lymphoma Group Clinical Trials Data Monitoring Committee. He has also served on the Complementary Therapies Committee and the Accreditation Committee of the Cancer Institute NSW. John was appointed to the Board of the Cancer Institute NSW in November 2006.

Prof Robert Sutherland BAgrSc, MAgrSc, PhD, FAA
Prof Robert Sutherland is the Director of the Cancer Research Program at the Garvan Institute of Medical Research, a Senior Principal Research Fellow of the National Health and Medical Research Council and Conjoint Professor, School of Medicine, University of New South Wales. Robert has been responsible for the development of Garvan's basic and translational cancer research programs aimed at identifying new genes involved in the development and progression of diverse cancers and their use as diagnostic and prognostic markers and as novel therapeutic targets for treatment and prevention. Robert was appointed to the Board of the Cancer Institute NSW in 2003.

Dr Helen Zorbas MBBS, FASBP, MAICD
Dr Helen Zorbas is Director of the National Breast and Ovarian Cancer Centre (NBOCC). She has been responsible for directing a number of key national projects and programs in evidence-based practice, clinical guidelines, monitoring, service improvement and psychosocial support to improve cancer care. Helen has been a member on a number of key National Cancer and Health committees, most notably, she is currently a member of the National Health Committee of the NHMRC and Chair of the BreastScreen Australia Evaluation Advisory Committee. She was a GP for 14 years before becoming a breast physician and she now has a staff specialist appointment at the Breast Clinic, Royal Prince Alfred Hospital, Sydney. Helen was appointed to the Board of the Cancer Institute NSW in November 2006.

Our Executive Team

Pictured from left to right:

Prof Jim F Bishop AO MD MMed MBBS FRACP FRCPA
Chief Cancer Officer and CEO,
Cancer Institute NSW
Professor of Cancer Medicine,
University of Sydney

Ms Beth Macaulay BA GCHSM RN
Chief Operating Officer

Beth Macauley was appointed Chief Operating Officer, Cancer Institute NSW in September 2003. Beth has extensive professional experience in strategic health services management, medical relations management and administration in the private hospital sector. She directs the financial management and reporting of the Cancer Institute NSW, as well as direction of human resources and information management. Beth also leads strategic planning and corporate governance processes.

Divisional Directors

Ms Kate Purcell B App Sc (Physiotherapy) MPSM (Health)
Director of Cancer Prevention

Kate Purcell joined the Cancer Institute in February 2008 and is responsible for Cancer Prevention, focussing on mass-media campaigns and development of policies to reduce the cancer risk associated with lifestyle risk factors. Kate has more than 20 years' experience working in the health system and has worked in the area of tobacco control for more than 15 years. She previously worked at NSW Health Department with senior responsibilities in health promotion and public health policy. Kate has previously been a member of several advisory committees at the national level including the National Expert Advisory Committee on Tobacco. Recently, Kate was an advisor to the World Health Organisation and the International Union against Tuberculoisis and Lung Disease supporting tobacco control efforts in China.

Dr Peter Webjora Grad Dip (Arts Mgt) MA PhD
Director of Cancer Research

Peter Wejbora joined the Cancer Institute NSW in February 2008 as Director of Research. Prior to his appointment, Peter held senior positions within the university sector, most recently as Research Development Manager at the University of Western Sydney, where he was responsible for facilitating the increase of research activity and external research income across all colleges. Prior to his return to academe, Peter gained extensive experience in project management and policy development within the public and private sectors, including the Sydney Olympics Bid Company, the Ethnic Affairs Commission of NSW and two leading commercial galleries.

Ms Lynn Sartori MA (Cantab)
Director of Cancer Screening

Lynn Sartori joined the Cancer Institute NSW in 2007 after more than 18 years working in the pharmaceutical industry. She holds an MA (Hons) in Medical Sciences, Cambridge University, UK, plus clinical studies (medicine) at Charing Cross and Westminster Hospitals, London, UK. During her career, Lynn has held International Regulatory Affairs and clinical positions in companies such as Bristol-Myers Squibb (London), Zambon UK Ltd (London), Tanabe Pharma (Paris), Biogen International (Paris), MSD Australia (Sydney) and Biogen Idec Australia (Sydney).

Ms Sue Sinclair RN MHM
Director of Cancer Services and Education

Sue Sinclair is the current Director of Cancer Services and Education. Within her time at the Cancer Institute NSW, she has been responsible for leading core programs to improve the coordination of patient care, providing comprehensive patient support, demonstrating sustainable models of care and supporting cancer health professionals through funding initiatives. Prior to joining the Cancer Institute NSW two years ago, Sue worked as a Director of Clinical Services at St. George Private Hospital. She has a broad clinical nursing experience, which includes managing a coronary care unit, clinical trials management and nursing education. Sue's skills and academic experience includes a Masters of Health Management, Graduate Diploma in Cardiac Nursing and registration as a nurse.

Dr Catherine Bourgeois BSc, PhD

Director NSW Clinical Trials Business Development Centre

Catherine Bourgeois joined the Cancer Institute NSW in April 2008 with the responsibility of setting up the Clinical Trials Business Development Centre. She holds a science degree and a PhD in oncology. Catherine's immediate postgraduate years were spent as a researcher in the discipline oncology followed by a period of 15 years in the pharmaceutical industry. She has held Clinical Research positions in companies such as Pfizer, Sanofi-Aventis and Faulding.

Executive Office and Administration

Mr Adrian Grundy

Manager, Cancer Communications

Adrian Grundy joined the Cancer Institute NSW in 2007 and has 13 years experience in journalism, political advisory and marketing. For the past seven years he held communications and marketing positions with FedEx Express in Asia and Australia. Adrian is responsible for the publication, marketing and promotion of cancer information.

Mr Charles Latimer BA BEc MPubPol GAICD

Manager Policy and Executive Support//Executive Officer to the Chief Cancer Officer and CEO

Secretary to the Board

Charles Latimer joined the Cancer Institute NSW in October 2005 and has held positions in a range of public sector and private organisations for more than 19 years. For the past seven years Charles has worked in the health sector, mainly in cancer control policy. Together with the Chief Cancer Officer, he is responsible for Government liaison, stakeholder management for health consumers and the NSW cancer charities sector. Charles is also secretary to the Board of the Cancer Institute NSW.

Ms Mirjana Juka MBusHRM

Acting Manager, Human Resources

Mirjana Juka has acted in the position of Manager, Human Resources since November 2007. She has extensive experience and knowledge as a human resources generalist, having worked previously in the IT industry and has experience consulting in the private and public sector across a broad range of human resource management practices. Mirjana has a keen interest in organisation development and talent management. Mirjana joined the Cancer Institute in October 2005.

Mr David Sabanayagam MBA PNA

Manager, Finance and Administration

David Sabanayagam was appointed as Finance and Administration Manager in September 2004. He has 18 years' experience in finance roles in communications, information technology, publishing and advertising industries in the private sector. David has a Masters in Business Administration from Macquarie University and is a member of National Institute of Accountants.

Mr Michael Schmitz MPD

Manager, Information Technology

Michael Schmitz joined the Cancer Institute NSW in July 2004 and has been involved in the information technology and communications industry for more than 25 years. Michael has an Advanced Diploma in Project Management, is a Master Project Director and a member of the Australian Institute of Project Management. Prior to joining the public sector, he held senior positions with several major information technology organisations and niche consultant firms, primarily focused on project management. Michael has successfully managed a variety of projects including information technology infrastructure and systems implementations, data centre and relocation projects in the legal, banking and finance, pharmaceutical and essential service arena.

Our people

Our people – with their combined expertise, capability and commitment – entirely underpin our organisational success. The skills required to develop and implement effective statewide cancer control and cure programs are complex and not readily available in the Australian market. Because of this, our human resource strategies are strongly focussed around attraction, talent management and development.

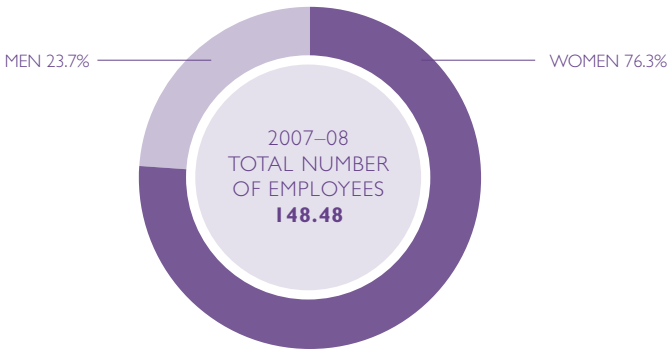
The employment market continues to change and to ensure that we have the best people in the right jobs; we are developing programs to ensure that not only are we offering meaningful work but we have a strong employment proposition that allows us to develop and retain our key assets.

Recruitment and Staffing

Number of Staff

YEAR	WOMEN	MEN	TOTAL
2007-08	113.33	35.15	148.48
2006-07	90.62	26.43	117.05
2005-06	75.95	27.19	103.14
2004-05*	44.3	19	63.3

*2004-05 was the first reporting year for the Cancer Institute NSW.



Attracting highly competent and capable people has continued to be a key emphasis. Significant effort has been applied to identify the key factors that drive 'people success' at the Cancer Institute NSW and those factors have been populated into our position descriptions, competency profiles, selection processes and performance development processes. Cancer Institute NSW staff have highly specialised technical and program management skills that are not readily available in the market. To this end we have employed a range of recruitment strategies to identify and attract suitable candidates. All of our Human Resources (HR) team are trained in best practice behavioural interviewing methodology and apply a range of strategies including interviewing, in-basket and assessment centres to ensure that we appoint the best person to a role. Given significant skills shortages in the market we have also worked with a number of recruitment consultants to assist our recruitment effort and have conducted a number of national and international searches to ensure that we have the right capability at the Cancer Institute NSW.

We have now put in place a panel of recruitment organisations that specialise in executive search, permanent and temporary placements on a needs basis. This will allow the HR team to expedite the recruitment process when a position becomes available within the organisation.

We have developed and implemented an Employee Referral Program which allows our staff to recommend their friends or colleagues for a vacant position. Merit based recruitment practices are still applied to ensure we hire the right person for the role.

We have implemented permanent contracts for all our staff who are employed on an on-going basis; this equates to 87.86 per cent of employees being made permanent. We still have fixed-term contracts for employees who are engaged for a fixed period of time to work on a specific project.

In the year ahead a number of initiatives will be implemented to add value to the effectiveness and efficiency of our recruitment. E-recruitment will be reviewed and assessed for suitability and we will progressively train our line managers in best practice behavioural interviewing methodology.

Our employee turnover dropped by one per cent.
We increased our number of staff by 26.85 per cent.

Staff Profile

The following tables detail the number of officers in the Cancer Institute NSW in various categories as at 30 June for the past four years.

LEVEL	2004-05*			2005-06			2006-07			2007-08		
	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN
SES	4	2	2	6.9	2	4.9	5.9	1	4.9	6.6	2	4.6
HSM 4-6	14.63	7	7.63	20.26	7	13.26	26.4	9	17.4	29.89	9	20.89
HSM 1-3	21.77	5	16.77	52.54	15.84	36.7	68.28	16.43	51.85	86.48	22.47	64.01
Admin Officers	20.9	3	17.9	21.54	2.05	19.49	14.07	-	14.07	23.11	1.68	21.43
Staff Specialists	2	2	0	0.9	0.3	0.6	0.4	-	0.4	0.4	0	0.4
Career Medical Officer	-	-	-	-	-	-	1	-	1	1	0	1
Medical Radiation Scientist	-	-	-	1	-	1	1	-	1	1	0	1
Total	63.3	19	44.3	103.14	27.19	75.95	117.05	26.43	90.62	148.48	35.15	113.33

CEO and Senior Executive Officers

LEVEL	2004-05*			2005-06			2006-07			2007-08		
	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN
7	1	1	-	1	1	-	1	1	-	1	1	0
3	-	-	-	-	-	-	1	-	1	2	0	2
2	3	1	2	3	1	2	2	-	2	3.6	1	2.6
1	-	-	-	3	-	3	1.9	-	1.9	0	0	0
Total	4	2	2	7	2	5	5.9	1	4.9	6.6	2	4.6

* 2004–05 was the first reporting year for the Cancer Institute NSW.

Our people

During the Reporting Period

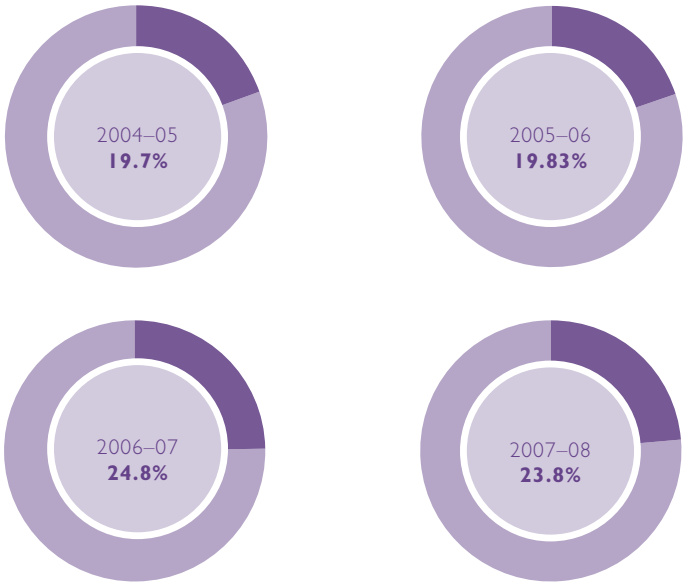
- The average sick leave taken for the period was 5.65 days per employee.
- Four claims were lodged for worker's compensation with minimal time lost.
- In July 2007, staff received a four per cent salary increase.
- As at 30 June 2008, the value of untaken recreation leave was $1,203,000.
- As at 30 June 2008, the value of untaken long service leave was $870,000.
- There were no industrial disputes involving the Cancer Institute NSW during the year.
- Staff turnover at the Cancer Institute NSW was 23.8 per cent (down from 24.8 per cent in previous year).

Employee Turnover and Engagement

Employee satisfaction with work, organisational culture and leadership is critical to the Cancer Institute NSW's organisational success. The staff newsletter, which is published every six weeks, continues to be a success. The newsletter keeps staff abreast of achievements in each of the Divisions and the support areas and provides information on international cancer advancements and celebrates employee achievements. This is complimented by a quarterly all staff 'Town Hall', which is proven to be extremely successful.

We have seen a slight decrease in turnover; however, it is still too high. All employees exiting the Cancer Institute NSW are invited to complete an exit interview to assist us to understand the key reasons for their departure.

Staff turnover*



*2004–05 was the first reporting year for the Cancer Institute NSW.

In the year ahead we will work with an external provider to implement an employee satisfaction survey to understand the hopes and aspirations of our employees and to clearly identify areas for improvement. Key improvement strategies will be identified, implemented and evaluated. We will also be providing the Cancer Institute NSW Executive and the Cancer Institute NSW Board with quarterly turnover reporting. Employee turnover and satisfaction will be a key area of focus for the HR team, the Executive and the Board.

Performance Development and Management

Performance development and management continues to be a key organisational objective and the Performance Development Process (PDP) framework allows for the development of our employees' competency and capability. Every employee at the Cancer Institute NSW has individual objectives and measures that relate to the delivery of the Cancer Plan and individual development plans, which we feel is an investment for the organisation and the employee's future. All employees participated in a review of their performance at the end of the financial year that confirmed our employees are performing very well.

An evaluation of the PDP was completed in late 2007. The results of the evaluation were extremely positive as they highlighted the general consensus among managers and staff that the process is valuable and has begun to create a performance oriented culture with clear alignment to the NSW Cancer Plan. It also identified that the process strengthened the relationship between managers and their staff.

There are areas in which the existing process can be further improved. The evaluation confirmed anecdotal feedback received by Human Resources that the current paper based process is highly administrative and iterative. In addition it is also labour intensive to undertake quality checks and reporting and analysis of divisional and organisation wide performance. To address these issues the HR team is currently engaged in communication with service providers to transfer our existing process to a web-based on-line solution.

In the year ahead we also plan to reinforce and expand the people management training provided to Cancer Institute NSW leaders and managers.

Learning and Development

Our employees are highly skilled when they commence work at the Cancer Institute NSW and we consider it essential that they continue to develop their competency and capability throughout their career. All staff are encouraged to take responsibility for their development and negotiate an individual development plan that assists them deliver their objectives and increase their capability. The Cancer Institute NSW has invested $251,443 in professional development this year.

In the year ahead a key focus will be developing critical leadership and middle manager competencies. All of our leadership team and middle managers will undertake 360 degree surveys to assess their current competencies and capabilities; they will then all receive 1:1 feedback; and then individual development plans will be developed and implemented. We are working very closely with DDI Australia in the implementation of our Leadership and Management Development Program.

Also in the year ahead, a curriculum plan will be designed and developed for each division. This will ensure that each Division has the capabilities and competencies that it requires in the future and that staff can proactively develop skills to match their career aspirations.

Occupational Health and Safety

Prevention is a major focus in our programs as well as our workplace. Regular ergonomic workplace assessments are carried out to ensure that our workplace practices are safe. The Cancer Institute NSW has had minimal lost time injuries in the year.

Our people

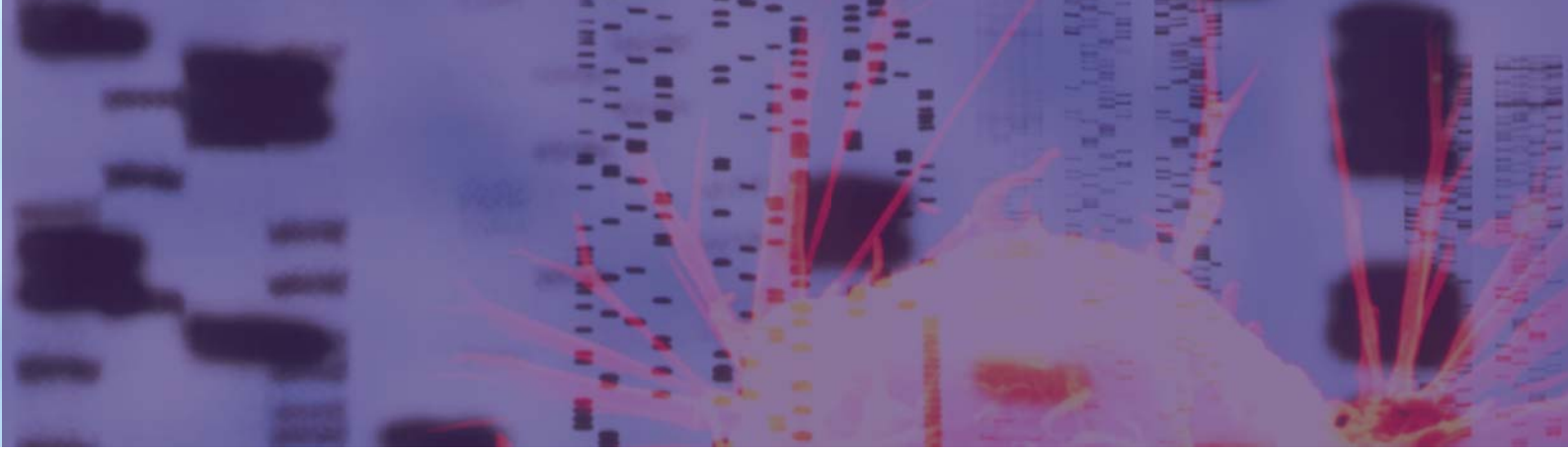
Equal Employment Opportunity (EEO) tables

A. REPRESENTATION OF EEO GROUPS	BENCHMARK OR GOVERNMENT TARGET	2004–05	2005–06	2006–07	2007–08
Women	50%	75%	75%	77%	77%
Aboriginal People & Torres Strait Islanders	2%	-	-	-	-
People Whose Language First Spoken as a Child was not English	20%	3%	21%	11%	15%
People with a Disability	12%	-	-	2%	-
People with a Disability Requiring Work-related Adjustment	7%	-	-	0.9%	-

B. DISTRIBUTION OF EEO GROUPS	BENCHMARK	2004–05	2005–06	2006–07	2007–08
Women	100	n/a	81	85	91
Aboriginal People & Torres Strait Islanders	100	-	-	-	-
People Whose Language First Spoken as a Child was not English	100	n/a	112	-	89
People with a Disability	100	-	-	-	n/a
People with a Disability Requiring Work-related Adjustment	100	-	-	-	n/a

Plans for 2008–09

- E-recruitment.
- Training needs analysis and development of curriculum.
- Employee satisfaction survey.
- Mentoring program.
- Leadership and management development program.



Our support

Cancer Communications

Our objectives for 2007–08:

- To build a team of skilled cancer communications professionals to support the Cancer Institute NSW in the areas of public affairs, marketing, e-communications, editorial and publications.
- Public affairs: to position the Cancer Institute NSW as the authoritative source of information on cancer in New South Wales.
- Marketing: to build meaningful connections with key audiences, including health professionals and cancer researchers.
- E-communications: to enhance the effectiveness of the Cancer Institute NSW website and develop strong email platforms to provide information and advice on cancer in NSW.
- Editorial and publications: to release new and impactful information about cancer in NSW through monographs, reports, factsheets and other materials.

Achievements:

- We established an experienced team of cancer communications professionals with the following new positions appointed: Public Affairs Advisor, Segment Marketing and Web Advisor, Editorial and Publications Advisor and Cancer Communications Coordinator. The Cancer Communications Unit is overseen by the Manager, Cancer Communications.
- We issued 49 media releases, including statements in collaboration with the Minister Assisting the Minister for Health (Cancer), containing important cancer information for NSW. We issued three position statements to provide advice to the NSW community on the subjects of prostate cancer PSA testing, cancer clusters and the association between alcohol consumption and cancer risk.
- We redefined the Cancer Institute NSW brand and reinforced a redesigned logo with a statement which delineates our mission as the NSW Government agency dedicated to the control and cure of cancer through prevention, detection, innovation, research and information.
- We held the Premier's Awards for Outstanding Cancer Research 2008, to celebrate the work of dedicated cancer researchers in NSW who received grants from the Cancer Institute NSW.
- We enhanced the functionality, design and navigation of www.cancerinstitute.org.au and established an email communications platform as a low-cost and effective means to stay connected with our stakeholders and other subscribers.
- We introduced the Cancer Institute NSW Monograph Series of publications to provide important information on cancer. There were 15 monographs published in FY08 on subjects ranging from the health economics of breast cancer prevention therapies to tumour-specific reports about thyroid and bowel cancer. We published four annual reports, including the Cancer Institute NSW Annual Report 2007 and the annual statistical report on cancer incidence and mortality in NSW.

Our plans for 2008–09

- Public affairs: to position the Cancer Institute NSW as the authoritative source of information on cancer in New South Wales.
- Marketing: to build meaningful connections with key audiences, including health professionals and cancer researchers.
- E-communications: to enhance the effectiveness of the Cancer Institute NSW website and develop strong email platforms to provide information and advice on cancer in NSW.
- Editorial and publishing: to release new and impactful information about cancer in NSW through monographs, reports, fact sheets and other materials.

Our support

Finance and administration

Our objectives for 2007–08
The Finance and Administration team provides support and services in relation to developing and monitoring budget, meeting statutory financial reporting obligations and ensuring compliance with relevant policies and directives.

Achievements
- Expenditure of programs was within the Cancer Institute allocated budget for 2007–08. An unqualified audit report was achieved for 2007–08.
- Improvements in the effectiveness and simplified reporting system for payments made to Area Health Services in 2007–08 were achieved. Further collaboration with health support will be sought in 2008–09 to further improve processes.
- A procurement plan for the Cancer Institute NSW is currently under developments; this is expected to be completed in early 2008–09 in time to apply for accreditation for the purchase of goods and services.

Our plans for 2008–09
- Meeting all the requirements and applying for accreditation for the purchase of goods and services for the Cancer Institute NSW.
- In collaboration with our third party financial services provider, to further enhance financial reporting to Cancer Institute NSW Management.

Information technology

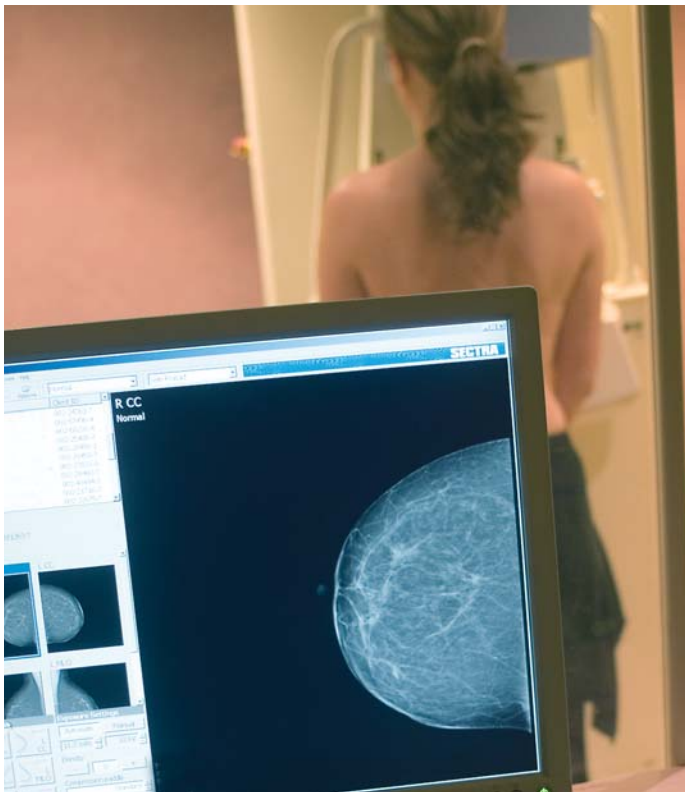
Our objectives for 2007–08
The past 12 months has seen the IT Department mature into a structured and disciplined group, with an overwhelming majority of objectives achieved, in addition to a number of initiatives which were fast-tracked to respond to the business needs. The following key objectives were successfully implemented during the period:

- The development and implementation of our Information Security Management System and Quality Management System to underpin an effective ICT governance framework.
- In collaboration with business unit staff, a number of web portals were developed and implemented to meet the needs of the secure cancer e-notifications, cancer indicators, online research grants and a number of websites supporting cancer prevention campaigns.
- Implementation of the Data Management System for the CHeReL - Centre for Health Records Linkage. The CHeReL uses probabilistic record linkage techniques to enable health and health services research, planning and evaluation for populations.
- The redevelopment and enhancements of a number of existing legacy information systems to meet the ongoing requirements of the organisation and our stakeholders.
- Considerable ICT infrastructure upgrades and new initiatives implemented to ensure a secure, robust and highly, available environment is maintained.

Overall this was an outstanding result in what could be said were at times challenging circumstances due to conflicting priorities, yet highly rewarding in observing the outcomes and collaborative approach taken by the business and IT staff.

Our plans for 2008–09
We have set some ambitious, yet highly achievable, objectives over the next 12 months and look forward in providing professional ICT services to the business in order to meet to the organisations objectives in delivering the NSW Cancer Plan 2007–2010. The following key objectives for the period ahead:

- Continue to focus on improving the delivery of front line services, in particular the delivery of additional web based solutions for our stakeholders.
- Collaborate with the Screening Division in order to evaluate and select an appropriate state wide BreastScreen Information System, and the integration with digital mammography.
- Provide significant enhancements for the redevelopment of the Pap Test Register and Central Cancer Registry so it may better serve the needs of the business and external stakeholders.
- Assist in the delivery and implementation of all modules for the Research Management information system to effectively manage ethics, grants and clinical trials.
- Continue with the ongoing enhancements and redevelopment of legacy systems in order to meet business requirements.
- Implement ICT Infrastructure initiatives as required which includes continuing with hardware virtualisation, high availability failover systems and maintain continuity of business.
- Review and continue to improve internal ICT governance and procedures, with the objective to achieve ISO 27001 certification.



Financial report

Understanding our financials

What do financial statements show?

Our financial statements provide an insight into the Cancer Institute NSW's financial health by showing:

- how the Institute performed during the year
- the value of assets held by the Institute
- the ability of the Institute to pay its debts.

Why do we have two sets of financial statements?

Attached are two sets of financial statements, namely:

- Cancer Institute NSW
- Cancer Institute Division.

The Cancer Institute Division is a controlled entity of the Cancer Institute NSW. It was set up in March 2006 to provide personnel services to the Cancer Institute NSW. This was established pursuant to Part 2 of Schedule 1 to the Public Sector Employment and Management Act 2002. All employee-related expenses and liabilities are assumed by the Division.

What's in the financial statements?

The financial statements of the Institute consist of the following, and explanatory notes to support the financial statements. It also includes an endorsement statement by the Board and the CEO of the Cancer Institute NSW, and an Independent Auditor's Report issued by the Auditor General of NSW.

Included in the statements are:

- **Income Statement** – This lists the sources of revenue, and the operating costs from our day to day running of the Institute. This does not include costs of asset purchases; however it does include depreciation of asset expenses.
- **Balance Sheet** – This shows the value of the assets that we hold, as well as the liabilities or claims against these assets. These are expressed as current or non-current. Current means these are assets or liabilities that will be expected to be paid or converted into cash within the next 12 months.
- **Statement of Recognised Income and Expense** – This statement summarises the change in the Cancer Institute NSW's net worth. Changes to our net worth occur mainly as a result of a Surplus or Deficit recorded in the income statement. A change may also occur in net worth due to the revaluation of assets that results in the increased value of non-current assets.
- **Cash Flow Statement** – This statement summarised our cash receipts and payments for the financial year and shows the net increase or decrease in cash held by the Cancer Institute NSW. This statement is prepared on a 'cash' basis; whereas the operating statement is prepared on an accrual basis which includes money not yet paid or spent.

CANCER INSTITUTE NSW

STATEMENT BY THE BOARD, CHIEF CANCER OFFICER & CHIEF EXECUTIVE OFFICER, CANCER INSTITUTE NSW

Pursuant to section 41C of the Public Finance and Audit Act 1983, I state that to the best of my knowledge and belief:

(a) the Financial Statements exhibit a true and fair view of the financial position of the Cancer Institute NSW as at 30 June 2008, and for the transactions for the year then ended;

(b) the accompanying financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2000 and the Treasurer's Directions;

(c) there are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

Professor James F Bishop
Chief Cancer Officer and CEO
Cancer Institute NSW

Dr Paul Moy
Board Member
Cancer Institute NSW

17th October 2008

GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

CANCER INSTITUTE NSW and controlled entities

To Members of the New South Wales Parliament

I have audited the accompanying financial report of Cancer Institute NSW (the Institute), which comprises the balance sheet as at 30 June 2008, the income statement, statement of recognised income and expense and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes for both the Institute, and controlled entities (the consolidated entity). The consolidated entity comprises the Institute and the entities it controlled at the year's end or from time to time during the financial year.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Institute and the consolidated entity as at 30 June 2008, and of their financial performance and their cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005

My opinion should be read in conjunction with the rest of this report.

Board's Responsibility for the Financial Report

The members of the Board are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Institute's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the Board, as well as evaluating the overall presentation of the financial report.

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

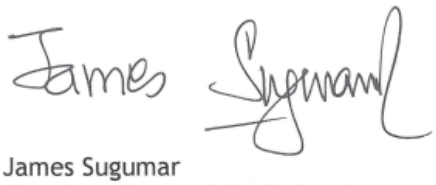
My opinion does *not* provide assurance:

- about the future viability of the Institute or consolidated entity,
- that they have carried out their activities effectively, efficiently and economically, or
- about the effectiveness of their internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



James Sugumar
Director, Financial Audit Services

20 October 2008
SYDNEY

Cancer Institute NSW

Income Statement

for the Year Ended 30 June 2008

		Consolidated		Cancer Institute NSW	
		2008	2007	**2008**	2007
	Notes	**$'000**	$'000	**$'000**	$'000
Revenue					
Interest Income	2(a)	**1,840**	2,193	**1,840**	2,193
Grants and contributions	2(b)	**136,349**	134,973	**136,349**	134,973
Other revenue	2(c)	**550**	766	**550**	709
Total Revenue		**138,739**	**137,932**	**138,739**	**137,875**
Expenses					
Employee related expenses	3(a)	**16,807**	13,404	**16,807**	13,347
Operating expenses	3(b)	**30,888**	30,379	**30,888**	30,379
Depreciation and amortisation expenses	3(c)	**708**	673	**708**	673
Grants and subsidies	3(d)	**87,482**	90,524	**87,482**	90,524
Total Expenses		**135,885**	**134,980**	**135,885**	**134,923**
SURPLUS FOR THE YEAR		**2,854**	**2,952**	**2,854**	**2,952**

The accompanying notes form part of these financial statements.

Cancer Institute NSW

Statement of Recognised Income and Expense

for the Year Ended 30 June 2008

		Consolidated		Cancer Institute NSW	
		2008	2007	**2008**	2007
	Notes	**$'000**	$'000	**$'000**	$'000
NET INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY		**-**	-	**-**	-
Surplus for the year		**2,854**	2,952	**2,854**	2,952
TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR	9	**2,854**	2,952	**2,854**	2,952
		2,854	2,952	**2,854**	2,952

The accompanying notes form part of these financial statements.

Cancer Institute NSW

Balance Sheet

as at 30 June 2008

		Consolidated		Cancer Institute NSW	
		2008	2007	**2008**	2007
	Notes	**$'000**	$'000	**$'000**	$'000
ASSETS					
Current Assets					
Cash and cash equivalents		**36,464**	33,159	**36,464**	33,159
Receivables	4	**4,472**	4,788	**4,472**	4,467
Total Current Assets		**40,936**	37,947	**40,936**	37,626
Non-Current Assets					
Plant and Equipment	5	**1,696**	2,182	**1,696**	2,182
Intangible assets	6	**10**	17	**10**	17
Total Non-Current Assets		**1,706**	2,199	**1,706**	2,199
Total Assets		**42,642**	40,146	**42,642**	39,825
Current Liabilities					
Payables	7	**11,587**	12,315	**13,942**	13,979
Provisions	8	**2,312**	1,942	**-**	-
Total Current Liabilities		**13,899**	14,257	**13,942**	13,979
Non-Current Liabilities					
Provisions	8	**306**	306	**263**	263
Total Non-Current Liabilities		**306**	306	**263**	263
Total Liabilities		**14,205**	14,563	**14,205**	14,242
Net Assets		**28,437**	25,583	**28,437**	25,583
EQUITY					
Accumulated funds	9	**28,437**	25,583	**28,437**	25,583
Total Equity		**28,437**	25,583	**28,437**	25,583

The accompanying notes form part of these financial statements.

Cancer Institute NSW

Cash Flow Statement

for the Year Ended 30 June 2008

		Consolidated		Cancer Institute NSW	
		2008	2007	**2008**	2007
	Notes	**$'000**	$'000	**$'000**	$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts					
Grants		**159,446**	148,816	**159,446**	148,816
Interest		**2,119**	1,814	**2,119**	1,814
Other		**156**	164	**156**	164
Total Receipts		**161,721**	150,794	**161,721**	150,794
Payments					
Employee Related		**(16,214)**	(13,154)	**(16,214)**	(13,154)
Grants & Subsidies		**(110,149)**	(109,791)	**(110,149)**	(109,791)
Suppliers		**(31,835)**	(24,024)	**(31,835)**	(24,024)
Total Payments		**(158,198)**	(146,969)	**(158,198)**	(146,969)
NET CASH FLOWS FROM OPERATING ACTIVITIES	12	**3,523**	3,825	**3,523**	3,825
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of Property, Plant and Equipment		**(218)**	(272)	**(218)**	(272)
NET CASH FLOWS FROM INVESTING ACTIVITIES		**(218)**	(272)	**(218)**	(272)
NET INCREASE IN CASH		**3,305**	3,553	**3,305**	3,553
Opening cash and cash equivalents		**33,159**	29,606	**33,159**	29,606
CLOSING CASH AND CASH EQUIVALENTS		**36,464**	33,159	**36,464**	33,159

The accompanying notes form part of these financial statements.

Cancer Institute NSW

Notes to the Financial Statements

for the Year Ended 30 June 2008

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Reporting entity*

The Cancer Institute NSW (the Institute), as a reporting entity, comprises the Institute and its controlled entity, the Cancer Institute Division.

In the process of preparing the consolidated financial report for the economic entity, all inter entity transactions and balances have been eliminated.

The consolidated financial report for the year ended 30 June 2008 has been authorised for issue by the Board of the Cancer Institute NSW on 16 October 2008.

(b) *Basis of preparation*

The Institute's financial statements are a general purpose financial report which has been prepared in accordance with:

- Australian Accounting Standards and Australian Accounting Interpretations;
- the requirements of the Public Finance and Audit Act 1983 (the Act) and Regulation; and
- the Financial Reporting Directions issued by the New South Wales Treasurer.

Property, plant and equipment, investment property, assets (or disposal groups) held for sale and financial assets held for trading and available for sale are measured at fair value. Other financial statements items are prepared in accordance with the historical cost convention.

Judgements, key assumptions and estimations that management has made are disclosed in the relevant notes to the financial report.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) *Revenue recognition*

Revenue is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

(i) Grants Revenue

Grants are generally recognised as income when the Institute obtains control over the assets and grants are normally obtained upon the receipt of cash.

(ii) Rendering of services

Revenue is recognised when the service is provided or by reference to the stage of completion.

(iii) Investment revenue

Interest revenue is recognised on an accrual basis using the effective interest method as set out in AASB 139 Financial Instruments: Recognition and Measurement.

(d) *Employee benefits and other provisions*

(i) Salaries and wages, annual leave, sick leave and on costs

Liabilities for salaries and wages (including non monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Unused non vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(ii) *Long service leave and superannuation*

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 07/04) to employees with 5 or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (ie Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(iii) *Other provisions*

Other provisions exist when: the Institute has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

(e) *Accounting for the Goods and Services Tax (GST)*

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

- the amount of GST incurred by the Institute as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the cash flow statement on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

(f) *Acquisitions of assets*

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Institute. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

(g) *Capitalisation thresholds*

Property, plant and equipment and intangible assets costing $5,000 and above individually (or forming part of a network costing more than $5,000) are capitalised.

(h) *Depreciation of property, plant and equipment*

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Institute.

Plant & Equipment		
Furniture and fittings		14
Computer equipment		25
Leasehold Improvements	Amortised over the period of the lease.	-

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(i) *Restoration cost*

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

(j) *Maintenance*

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and depreciated.

(k) *Intangible assets*

The Institute recognises intangible assets only if it is probable that future economic benefits will flow to the agency and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

The useful lives of intangible assets are assessed to be finite.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the agency's intangible assets, the assets are carried at cost less any accumulated amortisation.

The Institute's intangible software assets are amortised using the straight line method over a period of 4 years.

(l) *Receivables*

Receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the Income Statement when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(m) *Investments*

Investments are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, transaction costs. The agency determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

(n) *Payables*

These amounts represent liabilities for goods and services provided to the Institute and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(o) *Recognition of Grants and Subsidies Expenditure*

(i) Grants to NSW Area Health Services

Grants to NSW Area Health Services are recognised as an expenditure in the relevant year based on an agreed payment schedule at the time when all formal contract documentation has been fully executed by all parties.

(ii) Hospital and Research Grants

Hospital and Research grants are recognised at the time the Institute becomes liable to make payment according to the funding agreement. Grants that have not been paid are accrued at balance sheet date.

(p) *New Australian Accounting Standards*

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2008 reporting period. The Institute did not early adopt any of these Accounting Standards and Interpretations that are not yet effective:

- AASB 3 Business Combinations (1 July 2009);
- AASB 8 & AASB 2007 3 Operating Segments (1 January 2009);

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

- AASB 101 & 2007 8 Presentation of Financial Statements (1 January 2009);
- AASB 123 & 2007 6 Borrowing Costs (1 January 2009);
- AASB 127 Consolidated and Separate Financial Statements (1 January 2009);
- AASB 1004 Contributions (1 July 2008);
- AASB 1049 Whole of Government and General Government Sector Financial Reporting (1 July 2008);
- AASB 1050 Administered Items (1 July 2008);
- AASB 1051 Land Under Roads (1 July 2008);
- AASB 1052 Disaggregated Disclosures (1 July 2008);
- AASB 2007 9 Amendments to Australian Accounting Standards arising from the Review of AASs 27,29 and 31;
- AASB 2008 1 Amendments to Australian Accounting Standard – Share Based Payments: Vesting Conditions and Cancellations;
- AASB 2008 2 Amendments to Australian Accounting Standard – Puttable Financial Instruments and Obligations arising on Liquidation;
- Interpretation 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities (1 January 2009);
- Interpretation 12 Service Concession Arrangements (1 January 2009);
- Interpretation 1038 Contributions by Owners Made to Wholly Owned Public Sector Entities (1 July 2008).

It is considered that the impact of these new Standards and Interpretations in future periods will have no material impact on the financial statements of the Institute.

2 REVENUES

		Consolidated		Cancer Institute NSW	
		2008	2007	**2008**	2007
		$'000	$'000	**$'000**	$'000
(a)	**Interest Income**				
	Bank	**617**	1,271	**617**	1,271
	TCorp Hour-Glass Investment facilities	**1,223**	922	**1,223**	922
		1,840	2,193	**1,840**	2,193
(b)	**Grants and contributions**				
	NSW Dept of Health	**134,622**	134,158	**134,622**	134,158
	Commonwealth Government	**777**	60	**777**	60
	Membership contribution	**950**	755	**950**	755
		136,349	134,973	**136,349**	134,973

2 REVENUES (cont'd)

		Consolidated		Cancer Institute NSW	
		2008	2007	**2008**	2007
		$'000	$'000	**$'000**	$'000
(c)	**Other revenue**				
	Sundry	**550**	709	**550**	709
	Superannuation	**-**	57	**-**	-
		550	766	**550**	709

3 EXPENSES

		Consolidated		Cancer Institute NSW	
		2008	2007	**2008**	2007
		$'000	$'000	**$'000**	$'000
(a)	**Employee related expenses**				
	Salaries and wages (including recreation leave)	**14,499**	12,109	**-**	-
	Superannuation defined benefit plans	**419**	-	**-**	-
	Superannuation defined contribution plans	**876**	645	**-**	-
	Long service leave	**179**	37	**-**	-
	Payroll tax and fringe benefit tax	**834**	613	**-**	-
	Personnel Services	**-**	-	**16,807**	13,347
		16,807	13,404	**16,807**	13,347
(b)	**Operating expenses:**				
	Other	**2,713**	2,309	**2,713**	2,309
	External Auditor's remuneration	**33**	33	**33**	33
	Corporate services provider fees	**296**	286	**296**	286
	Information Technology expenses	**527**	820	**527**	820
	Consultancy costs	**140**	214	**140**	214
	General contractors	**2,201**	1,354	**2,201**	1,354
	Cancer audits and reviews	**2,399**	1,805	**2,399**	1,805
	Cancer Information Systems Development	**859**	355	**859**	355
	Cancer Plans and Strategic Planning	**23**	356	**23**	356
	Production of Cancer Prevention Campaigns	**569**	759	**569**	759
	Operating lease rental expense – minimum lease payments	**983**	935	**983**	935

3 EXPENSES (cont'd)

	Consolidated		Cancer Institute NSW	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Postage	**363**	428	**363**	428
Printing	**246**	487	**246**	487
Stores and stationery	**212**	466	**212**	466
Travel	**730**	439	**730**	439
Cancer Prevention campaign advertising	**17,517**	18,092	**17,517**	18,092
Board and committee expenses	**176**	46	**176**	46
NSW Clinical Information Access Program journals	**652**	903	**652**	903
Sponsorships	**215**	224	**215**	224
Repairs and maintenance	**34**	68	**34**	68
	30,888	30,379	**30,888**	30,379
(c) Depreciation and amortisation expense				
Depreciation				
Plant and Equipment	**154**	154	**154**	154
Amortisation				
Leasehold improvements	**543**	509	**543**	509
Intangible	**11**	10	**11**	10
	708	673	**708**	673
(d) Grants and subsidies				
Grants to NSW Area Health Services	**56,810**	63,351	**56,810**	63,351
Hospitals and Research	**24,902**	24,861	**24,902**	24,861
Capital grants	**5,770**	2,312	**5,770**	2,312
	87,482	90,524	**87,482**	90,524

4 CURRENT ASSETS – RECEIVABLES

	Consolidated		Cancer Institute NSW	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Goods and Services Tax recoverable	**489**	2,994	**489**	2,994
Debtors	**1,803**	1,067	**1,803**	814
Accrued Interest	**380**	659	**380**	659
Prepayments	**1,800**	-	**1,800**	-
Prepaid Superannuation Contributions	**-**	68	**-**	-
	4,472	4,788	**4,472**	4,467

5 NON CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

	Plant and Equipment
	$'000
Consolidated and Cancer Institute NSW	
At 1 July 2007	
At Valuation	4,002
Accumulated depreciation and impairment	(1,820)
Carrying amount	2,182
At 30 June 2008	
At Valuation	4,135
Accumulated depreciation and impairment	(2,439)
Carrying amount	1,696

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out over page.

5 NON CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT (cont'd)

Year ended 30 June 2008	
Carrying amount at start of year	2,182
Additions	220
Disposals	(81)
Reclassification to intangibles	(6)
Writeback depreciation to intangibles	2
Depreciation expense	(697)
Writeback depreciation on disposals	76
Carrying amount at end of year	1,696
At 1 July 2006	
At Valuation	3,748
Accumulated depreciation and impairment	(1,208)
Carrying amount	2,540
At 30 June 2007	
At Valuation	4,002
Accumulated depreciation and impairment	(1,820)
Carrying amount	2,182

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the previous reporting period is set out below.

Year ended 30 June 2007	
Carrying amount at start of year	2,540
Additions	272
Disposals	(51)
Recognition of restoration costs	33
Depreciation expense	(663)
Writeback depreciation on disposals	51
Carrying amount at end of year	2,182

6 INTANGIBLE ASSETS

	Software $'000
Consolidated and Cancer Institute NSW	
At 1 July 2007	
Cost (gross carrying amount)	38
Accumulated amortisation and impairment	(21)
Carrying amount	17
At 30 June 2008	
Cost (gross carrying amount)	44
Accumulated amortisation and impairment	(34)
Carrying amount	10
Year ended 30 June 2008	
Carrying amount at start of year	17
Reclassification	6
Amortisation on reclassification	(2)
Amortisation expense	(11)
Carrying amount at end of year	10
At 1 July 2006	
Cost (gross carrying amount)	38
Accumulated amortisation and impairment	(11)
Carrying amount	27
At 30 June 2007	
Cost (gross carrying amount)	38
Accumulated amortisation and impairment	(21)
Carrying amount	17
Year ended 30 June 2007	
Carrying amount at start of year	27
Amortisation expense	(10)
Carrying amount at end of year	17

7 CURRENT LIABILITIES – PAYABLES

	Consolidated		Cancer Institute NSW	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Creditors	5	3,098	5	3,098
Accrued salary and oncosts	293	70	-	-
Accruals for grants	11,289	9,147	11,288	9,145
Personnel Services	-	-	2,649	1,736
	11,587	12,315	13,942	13,979

8 CURRENT / NON-CURRENT LIABILITIES – PROVISIONS

	Consolidated		Cancer Institute NSW	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Current				
Employee benefits and related on costs				
Recreation leave	1,203	975	-	-
Long service leave	829	965	-	-
Fringe benefits tax	15	2	-	-
Superannuation (see Superannuation funds over page)	265	-	-	-
	2,312	1,942	-	-
	2,312	1,942	-	-
Non-current				
Employee benefits and related on costs				
Long service leave	41	41	-	-
Payroll tax	2	2	-	-
Non-current				
Other provisions				
Restoration costs	263	263	263	263
	306	306	263	263

Superannuation Funds as at 30 June 2008

	SASS	SANCS	SSS	TOTAL
	30-Jun-08	30-Jun-08	30-Jun-08	30-Jun-08
Member Numbers				
Contributors	5	6	1	
Deferred benefits	0	0	1	
Pensioners	0	0	0	
Pensions fully commuted	0	0	0	
Superannuation Position for AASB 119 purposes	A$	A$	A$	A$
Accrued liability	969,451	215,881	930,872	2,116,204
Estimated reserve account balance	(902,517)	(209,753)	(738,848)	(1,851,118)
	66,934	6,128	192,024	265,086
Future Service Liability (Note 1)	(373,962)	(93,889)	(24,936)	(492,787)
Surplus in excess of recovery available from schemes	0	0	0	0
Net (asset)/liability to be recognised in balance sheet	66,934	6,128	192,024	265,086

Note 1:

The Future Service Liability (FSL) does not have to be recognised by an employer. It is only used to determine if an asset ceiling limit should be imposed (AASB 119, para 58). Under AASB 119, any prepaid superannuation asset recognised cannot exceed the total of any unrecognised past service cost and the present value of any economic benefits that may be available in the form of refunds from the plan or reductions in future contributions to the plan. Where the "surplus in excess of recovery" is zero, no asset ceiling limit is imposed.

AASB 119

Disclosure Items 30 June 2008

Accounting policy {AASB 119 – paragraph 120A(a)}

Actuarial gains and losses are recognised immediately in profit and loss in the year in which they occur.

Fund information {AASB 119 – paragraph 120A(b)}

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

State Authorities Superannuation Scheme (SASS)

State Superannuation Scheme (SSS)

Police Superannuation Scheme (PSS)

State Authorities Non-contributory Superannuation Scheme (SANCS).

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. All the Schemes are closed to new members.

Reconciliation of the present value of the defined benefit obligation {AASB 119 – paragraph 120A(c)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Present value of partly funded defined benefit obligation at beginning of the year	770,987	162,726	850,857
Current service cost	50,331	9,364	7,491
Interest cost	49,058	10,180	54,596
Contributions by Fund participants	29,998	0	6,630
Actuarial (gains)/losses	140,576	21,173	22,735
Benefits paid	(71,499)	12,438	(11,437)
Past service cost	0	0	0
Curtailments	0	0	0
Settlements	0	0	0
Business Combinations	0	0	0
Exchange rate changes	0	0	0
Present value of partly funded defined benefit obligation at end of the year	**969,451**	**215,881**	**930,872**

Reconciliation of the fair value of Fund assets {AASB 119 – paragraph 120A(e)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Fair value of Fund assets at beginning of the year	876,405	195,907	779,827
Expected return on Fund assets	67,121	15,273	61,337
Actuarial gains/(losses)	(61,436)	(26,051)	(109,304)
Employer contributions	61,929	12,186	11,796
Contributions by Fund participants	29,998	0	6,630
Benefits paid	(71,499)	12,438	(11,437)
Settlements	0	0	0
Business combinations	0	0	0
Exchange rate changes	0	0	0
Fair value of Fund assets at end of the year	**902,517**	**209,753**	**738,848**

Reconciliation of the assets and liabilities recognised in the balance sheet {AASB 119 – paragraphs 120A(d) and (f)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Present value of partly funded defined benefit obligation at end of year	969,451	215,881	930,872
Fair value of Fund assets at end of year	(902,517)	(209,753)	(738,848)
Subtotal	66,934	6,128	192,024
Unrecognised past service cost	0	0	0
Unrecognised gain/(loss)	0	0	0
Adjustment for limitation on net asset	0	0	0
Net Liability/(Asset) recognised in balance sheet at end of year	**66,934**	**6,128**	**192,024**

Expense recognised in income statement {AASB 119 – paragraph 46 & 120A(g)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
Components Recognised in Income Statement	A$	A$	A$
Current service cost	50,331	9,364	7,491
Interest cost	49,058	10,180	54,596
Expected return on Fund assets (net of expenses)	(67,121)	(15,273)	(61,337)
Actuarial losses/(gains) recognised in year	202,012	47,224	132,039
Past service cost	0	0	0
Movement in adjustment for limitation on net asset	0	0	0
Curtailment or settlement (gain)/loss	0	0	0
Expense/(income) recognised	**234,281**	**51,495**	**132,789**

Amounts recognised in the statement of recognised income and expense {AASB 119 – paragraph 120A(h)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Actuarial (gains)/losses	0	0	0
Adjustment for limit on net asset	0	0	0

Cumulative amount recognised in the statement of recognised income and expense {AASB 119 – paragraph 120A(i)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Cumulative amount of actuarial (gains)/losses	0	0	0
Cumulative adjustment for limitation on net asset	0	0	0

Fund assets {AASB 119 – paragraph 120A(j)}

The percentage invested in each asset class at the balance sheet date:

	30-Jun-08
Australian equities	31.6%
Overseas equities	25.4%
Australian fixed interest securities	7.4%
Overseas fixed interest securities	7.5%
Property	11.0%
Cash	6.1%
Other	11.0%

Fair value of Fund assets {AASB 119 – paragraph 120A(k)}

All Fund assets are invested by STC at arm's length through independent fund managers.

Expected rate of return on assets {AASB119 – paragraph 120A(l)}

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Actual Return on Fund Assets {AASB 119 – paragraph 120A(m)}

	SASS	SANCS	SSS
	Financial Year to 30 June 2008	Financial Year to 30 June 2008	Financial Year to 30 June 2008
	A$	A$	A$
Actual return on Fund assets	(50,865)	(10,778)	(50,412)

Valuation method and principal actuarial assumptions at the balance sheet date {AASB 119 – paragraph 120A(n)}

a) Valuation Method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

b) Economic Assumptions	30-Jun-08
Salary increase rate (excluding promotional increases)	3.5% pa
Rate of CPI Increase	2.5% pa
Expected rate of return on assets backing current pension liabilities	8.3%
Expected rate of return on assets backing other liabilities	7.3%
Discount rate	6.55% pa

c) Demographic Assumptions

The demographic assumptions at 30 June 2008 are those used in the 2006 triennial actuarial valuation. A selection of the most financially significant assumptions is shown below:

(i) SASS Contributors - the number of SASS contributors expected in any one year (out of 10,000 members), at the ages shown, to leave the Fund as a result of death, disability, resignation, retirement and redundancy. Promotional salary increase rates are also shown.

(ii) SSS Contributors - the number of SSS contributors expected in any one year (out of 10,000 members), at the ages shown, to leave the Fund as a result of death, disability, resignation, retirement and preservation. Promotional salary increase rates are also shown.

Note: Different assumptions apply to females who have elected to retire at age 55 (R55 members).

(iii) SSS Commutation - the proportion of SSS members assumed to commute their pension to a lump sum in any one year.

(iv) SSS Pensioner Mortality - assumed mortality rates (in 2006/2007) for SSS pensioners (separately for normal retirement/spouses and invalidity).

(v) SSS Pensioner Mortality Improvements - per annum assumed rates of mortality improvement for SSS pensioners.

Historical information {AASB119 – paragraph 120A(p)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Present value of defined benefit obligation	969,451	215,881	930,872
Fair value of Fund assets	(902,517)	(209,753)	(738,848)
(Surplus)/Deficit in Fund	66,934	6,128	192,024
Experience adjustments – Fund liabilities	140,576	21,173	22,735
Experience adjustments – Fund assets	61,436	26,051	109,304

Expected contributions {AASB119 – paragraph 120A(q)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Expected employer contributions	0	0	0

Funding Arrangements for Employer Contributions

(a) Surplus/deficit

The following is a summary of the 30 June 2008 financial position of the Fund calculated in accordance with AAS 25 "Financial Reporting by Superannuation Plans":

	SASS 30-Jun-08	SANCS 30-Jun-08	SSS 30-Jun-08
	A$	A$	A$
Accrued benefits	972,491	216,832	873,028
Net market value of Fund assets	(902,517)	(209,753)	(738,848)
Net (surplus)/deficit	69,974	7,079	134,180

(b) Contribution recommendations

Recommended contribution rates for the entity are:

	SASS	SANCS	SSS
	multiple of member contributions	% member salary	multiple of member contributions
	0.00	0.00	0.00

(c) Funding method

The method used to determine the employer contribution recommendations at the last actuarial review was the Aggregate Funding method. The method adopted affects the timing of the cost to the employer.

Under the Aggregate Funding method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

(d) Economic assumptions

The economic assumptions adopted for the last actuarial review of the Fund were:

Weighted-Average Assumptions	
Expected rate of return on Fund assets backing current pension liabilities	7.7% pa
Expected rate of return on Fund assets backing other liabilities	7.0% pa
Expected salary increase rate	4.0% pa
Expected rate of CPI increase	2.5% pa

Nature of Asset/Liability

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of Fund assets and the defined benefit obligation.

9 EQUITY

	Accumulated Funds		Total Equity	
	2008	2007	2008	2007
	$'000	$'000	**$'000**	$'000
Consolidated and Cancer Institute NSW				
Balance at the beginning of the year	**25,583**	22,631	**25,583**	22,631
Changes in equity other than transactions with owners as owners				
Surplus for the year	**2,854**	2,952	**2,854**	2,952
Total	**2,854**	2,952	**2,854**	2,952
Balance at the end of the year	**28,437**	25,583	**28,437**	25,583

10 COMMITMENTS FOR EXPENDITURE

	Consolidated		Cancer Institute NSW	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
(a) Other Expenditure Commitments				
Not later than one year	**42,000**	14,990	**42,000**	14,990
Later than one year and not later than five years	**35,702**	24,396	**35,702**	24,396
Later than five years	**-**	-	**-**	-
Total (including GST)	**77,702**	39,386	**77,702**	39,386
(b) Operating Lease Commitments				
Future non cancellable operating lease rentals not provided for and payable				
Not later than one year	**1,351**	1,349	**1,351**	1,349
Later than one year and not later than five years	**1,676**	2,894	**1,676**	2,894
Later than five years	**-**	-	**-**	-
Total (including GST)	**3,027**	4,243	**3,027**	4,243

Commitments above include input tax credits of $7,339K that are expected to be recovered from the Australian Taxation Office ($3,966K in 2007).

11 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no known contingent assets and contingent liabilities as at 30 June 2008 (Nil at 30 June 2007).

12 NOTE TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash

	Consolidated		Cancer Institute NSW	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Cash at bank and on hand	**21,485**	9,403	**21,485**	9,403
Treasury Corporation deposits	**14,979**	23,756	**14,979**	23,756
	36,464	33,159	**36,464**	33,159

(b) Reconciliation of Net Cash Flows provided by Operating Activities to Operating Surplus

	Consolidated		Cancer Institute NSW	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Operating Surplus	**2,781**	2,952	**2,781**	2,952
Movements in non cash items through equity transfer	**-**	-	**-**	-
Depreciation & amortisation	**708**	673	**708**	673
Increase / (decrease) in Employee Entitlements and other provisions	**370**	350	**-**	34
Increase / (decrease) in creditors	**(656)**	3,802	**35**	3,797
(Increase) / decrease in Receivables	**315**	(3,919)	**(6)**	(3,598)
(Increase) / Decrease in restoration cost provision	**-**	(33)	**-**	(33)
Net (gain) / loss on sale of plant and equipment	**5**	-	**5**	-
Net Cash Flows from Operating Activities	**3,523**	3,825	**3,523**	3,825

13 FINANCIAL INSTRUMENTS

The Institute's principal financial instruments are outlined below. These financial instruments arise directly from the Institute's operations or are required to finance the Institute's operations. The Institute does not enter into or trade financial instruments for speculative purposes. The Institute does not use financial derivatives.

The Institute's main risks arising from financial instruments are outlined below, together with the Institute's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout this financial report.

The Board has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Institute, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the internal auditors on a continuous basis.

13 FINANCIAL INSTRUMENTS (cont'd)

(a) Financial instrument categories

	Note	Category	Carrying Amount 2008 $'000	Carrying Amount 2007 $'000
Consolidated				
Financial Assets				
Cash and cash equivalents		N/A	**36,464**	33,159
Receivables	4	Loans and receivables (at amortised cost)	**1,803**	1,067
Financial Liabilities				
Payables	7	Financial liabilities measured at amortised cost	**5**	3,098
Cancer Institute NSW				
Financial Assets				
Cash and cash equivalents		N/A	**36,464**	33,159
Receivables	4	Loans and receivables (at amortised cost)	**1,803**	814
Financial Liabilities				
Payables	7	Financial liabilities measured at amortised cost	**5**	3,098

(b) Credit Risk

Credit risk arises from the financial assets of the Institute, including cash, receivables and authority deposits. No collateral is held by the Institute. The Institute has not granted any financial guarantees. Credit risk arises when there is the possibility of the Institute's debtors defaulting on their contractual obligations, resulting in a financial loss to the Institute. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Cash

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to NSW Treasury. The TCorp Hour Glass cash facility is discussed in para (d) below.

Receivables – trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectibility of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 30 day terms.

The Institute is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2008: $1,761,000; 2007: $756,000) and not less than 3 months past due (2008: $31,000; 2007: $15,000) are not considered impaired and together these represent 99% of the total trade debtors. There are no debtors which are currently not past due or impaired whose terms have been renegotiated. The only financial assets that are past due or impaired are 'sales of goods and services' in the 'receivables' category of the balance sheet.

13 FINANCIAL INSTRUMENTS (cont'd)

		$'000	$'000s
	Total	Past due but not impaired	Considered impaired
Consolidated 2008			
< 3 months overdue	31	31	-
3 months – 6 months overdue	3	3	-
> 6 months overdue	8	8	-
Consolidated 2007			
< 3 months overdue	15	15	-
3 months – 6 months overdue	22	22	-
> 6 months overdue	19	19	-
Cancer Institute NSW 2008			
< 3 months overdue	31	31	-
3 months – 6 months overdue	3	3	-
> 6 months overdue	8	8	-
Cancer Institute NSW 2007			
< 3 months overdue	15	15	-
3 months – 6 months overdue	22	22	-
> 6 months overdue	19	19	-

Authority Deposits

The Institute has placed funds on deposit with TCorp, which has been rated "AAA" by Standard and Poor's. These deposits are similar to money market or bank deposits and can be placed "at call" or for a fixed term. For fixed term deposits, the interest rate payable by TCorp is negotiated initially and is fixed for the term of the deposit, while the interest rate payable on at call deposits can vary. The deposits at balance date were earning an interest rate of 6.25% (2007: 5.25%), while over the year the weighted average interest rate was 5.84% (2007: 5.15%) on a weighted average balance during the year of $17.8M (2007: $19.9M). None of these assets are past due or impaired.

13 FINANCIAL INSTRUMENTS (cont'd)

(c) Liquidity risk

Liquidity risk is the risk that the Institute will be unable to meet its payment obligations when they fall due. The Institute continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

The Institute's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No penalty interest was paid during the year (2007: $Nil).

The table below summarises the maturity profile of the Institute's financial liabilities, together with the interest rate exposure.

Maturity Analysis and interest rate exposure of financial liabilities

	$'000			
		Maturity Dates		
	Nominal Amount	< 1 yr	1–5 yrs	> 5 yrs
Consolidated and Cancer Institute NSW 2008				
Payables:				
Creditors	5	5	-	-
	5	5	-	-
Consolidated and Cancer Institute NSW 2007				
Payables:				
Creditors	3,098	3,098	-	-
	3,098	3,098	-	-

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Institute's exposure to market risk is primarily through price risks associated with the movement in the unit price of the Hour-Glass Investment facilities. The Institute has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Institute operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the balance sheet date. The analysis is performed on the same basis for 2007. The analysis assumes that all other variables remain constant.

13 FINANCIAL INSTRUMENTS (cont'd)

Interest rate risk

The Institute does not account for any fixed rate financial instruments at fair value through profit or loss or as available for sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/ 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Institute's exposure to interest rate risk is set out below.

		$'000			
	Carrying Amount	-1%		+1%	
		Profit	Equity	Profit	Equity
Consolidated 2008					
Financial assets					
Cash and cash equivalents	36,464	(365)	(365)	365	365
Receivables	1,803	-	-	-	-
Financial liabilities					
Payables	5	-	-	-	-
	38,272	(365)	(365)	365	365
Consolidated 2007					
Financial assets					
Cash and cash equivalents	33,159	(332)	(332)	332	332
Receivables	1,067	-	-	-	-
Financial liabilities					
Payables	3,098	-	-	-	-
	37,324	(332)	(332)	332	332
Cancer Institute NSW 2008					
Financial assets					
Cash and cash equivalents	36,464	(365)	365	365	365
Receivables	1,803	-	-	-	-
Financial liabilities					
Payables	5	-	-	-	-
	38,272	(365)	365	365	365
Cancer Institute NSW 2007					
Financial assets					
Cash and cash equivalents	33,159	(332)	(332)	332	332
Receivables	814	-	-	-	-
Financial liabilities					
Payables	3.098	-	-	-	-
	37,071	(332)	(332)	332	332

13 FINANCIAL INSTRUMENTS (cont'd)

Other price risk – TCorp Hour-Glass facilities

Exposure to 'other price risk' primarily arises through the investment in the TCorp Hour-Glass Investment facilities, which are held for strategic rather than trading purposes. The Institute has no direct equity investments. The Institute holds units in the following Hour-Glass investment trusts:

Facility	Investment Sectors	Investment Horizon	2008	2007
			$'000	$'000
Consolidated and Cancer Institute NSW				
Cash facility	Cash, money market instruments	Up to 1.5 years (pre-June 2008 – Up to 2 years)	**14,979**	23,756

The unit price of each facility is equal to the total fair value of net assets held by the facility divided by the total number of units on issue for that facility. Unit prices are calculated and published daily.

NSW TCorp is trustee for each of the above facilities is required to act in the best interest of the unitholders and to administer the trusts in accordance with the trust deeds. As trustee, TCorp has appointed external managers to manage the performance and risks of each facility in accordance with a mandate agreed by the parties. However, TCorp acts as manager for part of the Cash Facility. A significant portion of the administration of the facilities is outsourced to an external custodian.

Investment in the Hour-Glass facilities limits the Institute's exposure to risk, as it allows diversification across a pool of funds with different investment horizons and a mix of investments.

NSW TCorp provides sensitivity analysis information for each of the investment facilities, using historically based volatility information collected over a ten year period, quoted at two standard deviations (i.e. 95% probability). The TCorp Hour-Glass Investment facilities are designated at fair value through profit or loss and therefore any change in unit price impacts directly on profit (rather than equity).
A reasonably possible change is based on the percentage change in unit price (as advised by TCorp) multiplied by the redemption value as at 30 June each year for each facility (balance from Hour-Glass statement).

		Impact on profit/loss	
	Change in unit price	**2008**	2007
		$'000	$'000
Consolidated			
Hour-Glass Investment – Cash facility	+/- 1%	**150**	238
Cancer Institute NSW			
Hour-Glass Investment – Cash facility	+/- 1%	**150**	238

(e) Fair Value

Financial instruments are generally recognised at cost, with the exception of the TCorp Hour-Glass facilities, which are measured at fair value. As discussed, the value of the Hour-Glass Investments is based on the Institute's share of the value of the underlying assets of the facility, based on the market value. All of the Hour-Glass facilities are valued using 'redemption' pricing.

14 AFTER BALANCE DATE EVENTS

The Institute has not identified any events or transactions that are material to require adjustments or disclosures in the financial report.

CANCER INSTITUTE DIVISION

STATEMENT BY THE BOARD, CHIEF CANCER OFFICER & CHIEF EXECUTIVE OFFICER, CANCER INSTITUTE NSW

Pursuant to section 41C of the Public Finance and Audit Act 1983, I state that to the best of my knowledge and belief:

(a) the Financial Statements exhibit a true and fair view of the financial position of the Cancer Institute Division as at 30 June 2008, and for the transactions for the year then ended;

(b) the accompanying financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2000 and the Treasurer's Directions;

(c) there are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

Professor James F Bishop
Chief Cancer Officer and CEO
Cancer Institute NSW

Dr Paul Moy
Board Member,
Cancer Institute NSW

17th October 2008

GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Cancer Institute Division

To Members of the New South Wales Parliament

I have audited the accompanying financial report of Cancer Institute Division (the Division), which comprises the balance sheet as at 30 June 2008, the income statement, statement of recognised income and expense and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Division as at 30 June 2008, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

My opinion should be read in conjunction with the rest of this report.

The Board's Responsibility for the Financial Report

The members of the Board are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Division's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Division's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the Board, as well as evaluating the overall presentation of the financial report.

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

My opinion does *not* provide assurance:

- about the future viability of the Division,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.

James Sugumar
Director, Financial Audit Services

20 October 2008
SYDNEY

Cancer Institute Division

Income Statement

for the Year Ended 30 June 2008

	Notes	2008 $'000	2007 $'000
Revenue			
Rendering of services	2	16,807	13,404
Total Revenue		16,807	13,404
Expenses			
Employee related expenses	3(a)	16,807	13,404
Total Expenses		16,807	13,404
SURPLUS FOR THE YEAR		-	-

The accompanying notes form part of these financial statements.

Cancer Institute Division

Statement of Recognised Income and Expense

for the Year Ended 30 June 2008

	Notes	2008 $'000	2007 $'000
NET INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY		-	-
Surplus / (Deficit) for the year		-	-
TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR		-	-

The accompanying notes form part of these financial statements.

Cancer Institute Division

Balance Sheet

as at 30 June 2008

	Notes	2008 $'000	2007 $'000
ASSETS			
Current Assets			
Receivables	4	**2,649**	2,055
Total Current Assets		**2,649**	2,055
Total Assets		**2,649**	2,055
Current Liabilities			
Payables	5	**293**	70
Provisions	6	**2,313**	1,942
Total Current Liabilities		**2,606**	2,012
Non Current Liabilities			
Provisions	6	**43**	43
Total Non Current Liabilities		**43**	43
Total Liabilities		**2,649**	2,055
Net Assets		**-**	-
EQUITY			
Accumulated funds		**-**	-
Total Equity		**-**	-

The accompanying notes form part of these financial statements.

Cancer Institute Division

Cash Flow Statement

for the Year Ended 30 June 2008

	2008	2007
	$'000	$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Total Payments	-	-
Total Receipts	-	-
Net Cash Flows From Government	-	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	-	-
CASH FLOWS FROM INVESTING ACTIVITIES	-	-
NET INCREASE (DECREASE) IN CASH	-	-
CLOSING CASH AND CASH EQUIVALENTS	-	-

The accompanying notes form part of these financial statements.

Cancer Institute Division

Notes to the Financial Statements

for the Year Ended 30 June 2008

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Reporting entity*

The Cancer Institute Division is a Division of the Government Service, established pursuant to Part 2 of Schedule 1 to the Public Sector Employment and Management Act 2002. It is a not for profit entity as profit is not its principal objective. It is consolidated as part of the NSW Total State Sector Accounts. It is domiciled in Australia and its principal office is at Level 1, Biomedical Building, Australian Technology Park, Sydney.

The Cancer Institute Division's objective is to provide personnel services to Cancer Institute NSW.

The Cancer Institute Division commenced operations on 17 March 2006 when it assumed responsibility for the employees and employee related liabilities of the Cancer Institute NSW. The assumed liabilities were recognised on 17 March 2006 together with an offsetting receivable representing the relating funding due from the former employer.

The financial report for the year ended 30 June 2008 has been authorised for issue by the Board of the Cancer Institute NSW on 16 October 2008.

(b) *Basis of preparation*

The Division's financial report is a general purpose financial report which has been prepared in accordance with:

- Australian Accounting Standards and Australian Accounting Interpretations
- the requirements of the *Public Finance and Audit Act 1983 (the Act)* and Regulation; and
- specific directions issued by the New South Wales Treasurer.

Generally, the historical cost basis of accounting has been adopted and the financial report does not take into account changing money values or current valuations. However, certain provisions are measured at fair value.

The accrual basis of accounting has been adopted in the preparation of the financial report, except for cash flow information.

Judgements, key assumptions and estimations that management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) *Statement of compliance*

The Division's financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) *Income recognition*

Income is measured at the fair value of the consideration or contribution received or receivable. Revenue from the rendering of personnel services is recognised when the service is provided and only to the extent that the associated recoverable expenses are recognised.

(e) *Employee benefits and other provisions*

(a) Salaries and wages, annual leave, sick leave and on costs

Liabilities for salaries and wages (including non monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Unused non vesting sick leave does not give rise to a liability, as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) *Long service leave and superannuation*

Long service leave is measured at present value in accordance with AASB 119 Employee Benefits. This is based on the application of certain factors (specified in NSWTC 07/04) to employees with 5 or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

(c) Other provisions

Other provisions exist when: the Division has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

(f) *Loans and receivables*

Receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the operating statement when impaired, derecognised or through the amortisation process.

Short term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(g) *Payables*

These amounts represent liabilities for goods and services provided to the Institute and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(h) *New Australian Accounting Standards issued but not effective*

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2008 reporting period. The Division did not early adopt any of these Accounting Standards and Interpretations that are not yet effective:

- AASB 3 Business Combinations (1 July 2009);
- AASB 8 & AASB 2007-3 Operating Segments (1 January 2009);
- AASB 101 & 2007-8 Presentation of Financial Statements (1 January 2009);
- AASB 123 & 2007-6 Borrowing Costs (1 January 2009);
- AASB 127 Consolidated and Separate Financial Statements (1 January 2009);
- AASB 1004 Contributions (1 July 2008);
- AASB 1049 Whole of Government and General Government Sector Financial Reporting (1 July 2008);
- AASB 1050 Administered Items (1 July 2008);
- AASB 1051 Land Under Roads (1 July 2008);
- AASB 1052 Disaggregated Disclosures (1 July 2008)
- AASB 2007-9 Amendments to Australian Accounting Standards arising from the Review of AASs 27,29 and 31;
- AASB 2008-1 Amendments to Australian Accounting Standard - Share Based Payments: Vesting Conditions and Cancellations;
- AASB 2008-2 Amendments to Australian Accounting Standard - Puttable Financial Instruments and Obligations arising on Liquidation;
- Interpretation 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities (1 January 2009);
- Interpretation 12 Service Concession Arrangements (1 January 2009).
- Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities (1 July 2008).

It is considered that the impact of these new Standards and Interpretations in future periods will have no material impact on the financial statements of the Division.

2	REVENUES	2008	2007
		$'000	$'000
	Personnel Services	16,807	13,347
	Superannuation	-	57
		16,807	13,404
3	EXPENSES		
(a)	**Employee related expenses**		
	Salaries and wages (including recreation leave)	14,499	12,109
	Superannuation – defined benefit plans	419	-
	Superannuation – defined contribution plans	876	645
	Long service leave	179	37
	Payroll tax and fringe benefit tax	834	613
		16,807	13,404
4	RECEIVABLES		
	Current		
	Sundry debtors	-	252
	Personnel Services	2,649	1,735
	Prepaid Superannuation Contributions	-	68
		2,649	2,055
5	PAYABLES		
	Payables		
	Accrued salary oncosts	293	70
		293	70
6	PROVISIONS		
	Current		
	Employee benefits and related on costs		
	Recreation leave	1,213	985
	Long service leave	820	955
	Fringe benefits tax	15	2
	Superannuation	265	-
		2,313	1,942
	Non current		
	Employee benefits and related on costs		
	Long service leave	43	43
		43	43

Superannuation Funds as at 30 June 2008

	SASS	SANCS	SSS	TOTAL
	30-Jun-08	30-Jun-08	30-Jun-08	30-Jun-08
Member Numbers				
Contributors	5	6	1	
Deferred benefits	0	0	1	
Pensioners	0	0	0	
Pensions fully commuted	0	0	0	
Superannuation Position for AASB 119 purposes	A$	A$	A$	A$
Accrued liability	969,451	215,881	930,872	2,116,204
Estimated reserve account balance	(902,517)	(209,753)	(738,848)	(1,851,118)
	66,934	6,128	192,024	265,086
Future Service Liability (Note 1)	(373,962)	(93,889)	(24,936)	(492,787)
Surplus in excess of recovery available from schemes	0	0	0	0
Net (asset)/liability to be recognised in balance sheet	66,934	6,128	192,024	265,086

Note 1:

The Future Service Liability (FSL) does not have to be recognised by an employer. It is only used to determine if an asset ceiling limit should be imposed (AASB 119, para 58). Under AASB 119, any prepaid superannuation asset recognised cannot exceed the total of any unrecognised past service cost and the present value of any economic benefits that may be available in the form of refunds from the plan or reductions in future contributions to the plan. Where the "surplus in excess of recovery" is zero, no asset ceiling limit is imposed.

AASB 119

Disclosure Items 30 June 2008

Accounting policy {AASB 119 – paragraph 120A(a)}

Actuarial gains and losses are recognised immediately in profit and loss in the year in which they occur.

Fund information {AASB 119 – paragraph 120A(b)}

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

State Authorities Superannuation Scheme (SASS)

State Superannuation Scheme (SSS)

Police Superannuation Scheme (PSS)

State Authorities Non-contributory Superannuation Scheme (SANCS).

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. All the Schemes are closed to new members.

Reconciliation of the present value of the defined benefit obligation {AASB 119 – paragraph 120A(c)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Present value of partly funded defined benefit obligation at beginning of the year	770,987	162,726	850,857
Current service cost	50,331	9,364	7,491
Interest cost	49,058	10,180	54,596
Contributions by Fund participants	29,998	0	6,630
Actuarial (gains)/losses	140,576	21,173	22,735
Benefits paid	(71,499)	12,438	(11,437)
Past service cost	0	0	0
Curtailments	0	0	0
Settlements	0	0	0
Business Combinations	0	0	0
Exchange rate changes	0	0	0
Present value of partly funded defined benefit obligation at end of the year	**969,451**	**215,881**	**930,872**

Reconciliation of the fair value of Fund assets {AASB 119 – paragraph 120A(e)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Fair value of Fund assets at beginning of the year	876,405	195,907	779,827
Expected return on Fund assets	67,121	15,273	61,337
Actuarial gains/(losses)	(61,436)	(26,051)	(109,304)
Employer contributions	61,929	12,186	11,796
Contributions by Fund participants	29,998	0	6,630
Benefits paid	(71,499)	12,438	(11,437)
Settlements	0	0	0
Business combinations	0	0	0
Exchange rate changes	0	0	0
Fair value of Fund assets at end of the year	**902,517**	**209,753**	**738,848**

Reconciliation of the assets and liabilities recognised in the balance sheet {AASB 119 – paragraphs 120A(d) and (f)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Present value of partly funded defined benefit obligation at end of year	969,451	215,881	930,872
Fair value of Fund assets at end of year	(902,517)	(209,753)	(738,848)
Subtotal	66,934	6,128	192,024
Unrecognised past service cost	0	0	0
Unrecognised gain/(loss)	0	0	0
Adjustment for limitation on net asset	0	0	0
Net Liability/(Asset) recognised in balance sheet at end of year	**66,934**	**6,128**	**192,024**

Expense recognised in income statement {AASB 119 – paragraph 46 & 120A(g)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
Components Recognised in Income Statement	A$	A$	A$
Current service cost	50,331	9,364	7,491
Interest cost	49,058	10,180	54,596
Expected return on Fund assets (net of expenses)	(67,121)	(15,273)	(61,337)
Actuarial losses/(gains) recognised in year	202,012	47,224	132,039
Past service cost	0	0	0
Movement in adjustment for limitation on net asset	0	0	0
Curtailment or settlement (gain)/loss	0	0	0
Expense/(income) recognised	**234,281**	**51,495**	**132,789**

Amounts recognised in the statement of recognised income and expense {AASB 119 – paragraph 120A(h)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Actuarial (gains)/losses	0	0	0
Adjustment for limit on net asset	0	0	0

Cumulative amount recognised in the statement of recognised income and expense {AASB 119 – paragraph 120A(i)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Cumulative amount of actuarial (gains)/losses	0	0	0
Cumulative adjustment for limitation on net asset	0	0	0

Fund assets {AASB 119 – paragraph 120A(j)}

The percentage invested in each asset class at the balance sheet date:

	30-Jun-08
Australian equities	31.6%
Overseas equities	25.4%
Australian fixed interest securities	7.4%
Overseas fixed interest securities	7.5%
Property	11.0%
Cash	6.1%
Other	11.0%

Fair value of Fund assets {AASB 119 – paragraph 120A(k)}

All Fund assets are invested by STC at arm's length through independent fund managers.

Expected rate of return on assets {AASB119 – paragraph 120A(l)}

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Actual Return on Fund Assets {AASB 119 – paragraph 120A(m)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Actual return on Fund assets	(50,865)	(10,778)	(50,412)

Valuation method and principal actuarial assumptions at the balance sheet date {AASB 119 – paragraph 120A(n)}

a) Valuation Method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

b) Economic Assumptions	**30-Jun-08**
Salary increase rate (excluding promotional increases)	3.5% pa
Rate of CPI Increase	2.5% pa
Expected rate of return on assets backing current pension liabilities	8.3%
Expected rate of return on assets backing other liabilities	7.3%
Discount rate	6.55% pa

c) *Demographic Assumptions*

The demographic assumptions at 30 June 2008 are those used in the 2006 triennial actuarial valuation. A selection of the most financially significant assumptions is shown below:

(i) SASS Contributors - the number of SASS contributors expected in any one year (out of 10,000 members), at the ages shown, to leave the Fund as a result of death, disability, resignation, retirement and redundancy. Promotional salary increase rates are also shown.

(ii) SSS Contributors - the number of SSS contributors expected in any one year (out of 10,000 members), at the ages shown, to leave the Fund as a result of death, disability, resignation, retirement and preservation. Promotional salary increase rates are also shown.

Note: Different assumptions apply to females who have elected to retire at age 55 (R55 members).

(iii) SSS Commutation - the proportion of SSS members assumed to commute their pension to a lump sum in any one year.

(iv) SSS Pensioner Mortality - assumed mortality rates (in 2006/2007) for SSS pensioners (separately for normal retirement/spouses and invalidity).

(v) SSS Pensioner Mortality Improvements - per annum assumed rates of mortality improvement for SSS pensioners.

Historical information {AASB119 – paragraph 120A(p)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Present value of defined benefit obligation	969,451	215,881	930,872
Fair value of Fund assets	(902,517)	(209,753)	(738,848)
(Surplus)/Deficit in Fund	66,934	6,128	192,024
Experience adjustments – Fund liabilities	140,576	21,173	22,735
Experience adjustments – Fund assets	61,436	26,051	109,304

Expected contributions {AASB119 – paragraph 120A(q)}

	SASS Financial Year to 30 June 2008	SANCS Financial Year to 30 June 2008	SSS Financial Year to 30 June 2008
	A$	A$	A$
Expected employer contributions	0	0	0

Funding Arrangements for Employer Contributions

(a) Surplus/deficit

The following is a summary of the 30 June 2008 financial position of the Fund calculated in accordance with AAS 25 "Financial Reporting by Superannuation Plans":

	SASS 30-Jun-08	SANCS 30-Jun-08	SSS 30-Jun-08
	A$	A$	A$
Accrued benefits	972,491	216,832	873,028
Net market value of Fund assets	(902,517)	(209,753)	(738,848)
Net (surplus)/deficit	69,974	7,079	134,180

(b) Contribution recommendations

Recommended contribution rates for the entity are:

	SASS	SANCS	SSS
	multiple of member contributions	% member salary	multiple of member contributions
	0.00	0.00	0.00

(c) Funding method

The method used to determine the employer contribution recommendations at the last actuarial review was the Aggregate Funding method. The method adopted affects the timing of the cost to the employer.

Under the Aggregate Funding method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

(d) Economic assumptions

The economic assumptions adopted for the last actuarial review of the Fund were:

Weighted-Average Assumptions	
Expected rate of return on Fund assets backing current pension liabilities	7.7% pa
Expected rate of return on Fund assets backing other liabilities	7.0% pa
Expected salary increase rate	4.0% pa
Expected rate of CPI increase	2.5% pa

Nature of Asset/Liability

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of Fund assets and the defined benefit obligation.

7 FINANCIAL INSTRUMENTS

The Cancer Institute Division's principal financial instruments are short term receivables and payables. These financial instruments expose the Division primarily to credit risk on short term receivables. The Division does not enter into or trade financial instruments for speculative purpose and does not use financial derivatives.

The Chief Executive Officer has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing risk. Compliance with policies are reviewed by the internal auditors on a continuous basis.

(a) Financial instrument categories

	Note	Category	**Carrying Amount**	Carrying Amount
			2008	2007
			$'000	$'000
Financial Assets				
Receivables	4	Loans and receivables (at amortised cost)	**2,649**	1,987
Financial Liabilities				
Payables	5	Financial liabilities measured at amortised cost	**-**	-

(b) Credit Risk

Credit risk arises from the financial assets of the Division, which are receivables. No collateral is held by the Division. The Division has not granted any financial guarantees.

Credit risk arises when there is the possibility of the Division's debtors defaulting on their contractual obligations, resulting in a financial loss to the Division. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Receivables – trade debtors

All trade debtors are recognised as amounts receivable at balance date. The balance owing represents monies due from the Cancer Institute NSW. Debtors' invoices are issued on 14 day terms.

No financial assets are past due or impaired.

(c) Liquidity risk

Liquidity risk is the risk that the Division will be unable to meet its payment obligations when they fall due. The Division continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

The Division's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest for late payment was paid during the year (2007 – $Nil).

The table below summarises the maturity profile of the Division's financial liabilities, together with the interest rate exposure.

Maturity Analysis and interest rate exposure of financial liabilities

		$'000		
		Maturity Dates		
	Nominal Amount	< 1 yr	1–5 yrs	> 5 yrs
2008				
Payables:				
Accrued salaries, wages and on costs	-	-	-	-
			-	-
	-	-	-	-
2007				
Payables:				
Accrued salaries, wages and on costs	-	-	-	-
			-	-
	-	-	-	-

(d) Market risk

The Division has no cash and cash equivalents. The Division has exposure to foreign currency risk and does not enter into commodity contracts.

(e) Fair Value

Financial instruments are generally recognised at cost.

8 AFTER BALANCE DATE EVENTS

The Division has not identified any events or transactions that are material to require adjustments or disclosures in the financial report.

End of audited financial statement.

Appendixes

CONTENTS

Accounts payable performance report

Aged analysis at the end of each quarter

QUARTER	CURRENT (I.E. WITHIN DUE DATE)	LESS THAN 30 DAYS OVERDUE	BETWEEN 30 DAYS AND 60 DAYS OVERDUE	BETWEEN 60 DAYS AND 90 DAYS OVERDUE	MORE THAN 90 DAYS OVERDUE
	$	$	$	$	$
September Quarter	42,399	0	0	0	0
December Quarter	589,682	0	0	0	0
March Quarter	16,219	0	0	0	0
June Quarter	4,787	0	0	0	0

Accounts paid on time within each quarter

QUARTER	TOTAL ACCOUNTS PAID ON TIME			TOTAL AMOUNT PAID $
	TARGET	ACTUAL	$	
September Quarter	88%	94%	27,650,869	30,074,573
December Quarter	88%	91%	26,498,357	27,582,618
March Quarter	88%	94%	29,916,106	33,147,526
June Quarter	88%	95%	36,901,493	37,878,221

During 2007–08 there were no instances where penalty interest was paid in accordance with section 18 of the *Public Finance and Audit (General) Regulation 1995*. There were no significant events that affected payment performance during the reporting period.

Credit card certification 2007–08

It is affirmed that for the 2007–08 financial year credit card use within the Cancer Institute NSW was in accordance with Premier's memoranda and Treasurer's directions.

Credit card use

Credit card use within the Cancer Institute NSW is largely limited to:

- The reimbursement of travel and subsistence expense.
- The purchase of books and publications.
- Seminar and conference deposits.
- Travel bookings deposits.
- Official business use while engaged in overseas travel.

Documenting credit card use

The following measures are used to monitor the use of credit cards within the Cancer Institute NSW:

- The organisation's credit card policy is documented.
- Reports and statements on the appropriateness of credit card usage are periodically lodged for management consideration.
- Six-monthly reports / compliance surveys are submitted to Treasury, certifying that the Institute's credit card use is within the guidelines issued.

Consultants

During the year the Cancer Institute NSW engaged 27 consultants to provide expert advice on cancer research and clinical programs. The total consultancy cost was $140,324.96. No consultancy assignment costed $30,000 or more.

Freedom of information

The Cancer Institute NSW was prescribed under the *Freedom of Information Act 1989* in 2007–08. We had one application for information during this time, requesting details on the number of patients in the Wyong and Gosford Local Government Areas who have:
1. been diagnosed with cancer;
2. required radiotherapy;
3. been given radiotherapy locally;
4. how many patients referred to in point 3 were public patients and who sought treatment in the public system;
5. travelled outside the Central Coast for treatment and where did they travel to.

We were able to provide information for point 1, but unable to provide information for points 2–5.

We also received one third party request through the NSW Department of Health.

Guarantee of service

The Cancer Institute NSW has established standards and guidelines for responding to requests from health consumers for information and non-medical advice concerning cancer; whether received by phone, fax, email or written correspondence.

These standards ensure that informative, timely responses are provided to inquiries.

Privacy Management Plan

The Cancer Institute NSW Privacy Management Plan identifies how the Cancer Institute NSW and all agencies and health services funded by the Institute will comply with privacy legislation.

The Plan provides detail of how the organisation intends to protect the privacy of its clients, staff and the public when it processes personal information, to assist people who may wish to exercise their rights under the *Privacy and Personal Information Protection (PPIP) Act 1998* or the *Health Records and Information Privacy (HRIP) Act 2002* and make a complaint or request for an internal review.

For the reporting period there have been no complaints received by the Cancer Institute NSW regarding its dealings with personal information under the *PPIP Act* and personal health information under the *HRIP Act* that have resulted in the requirement for a Request for Internal Review.

Consumer participation

The Cancer Institute NSW actively engages and supports the participation of people affected by cancer in our programs. Consumer interests are represented through the membership and participation of people affected by cancer on all committees. Consumers are also represented on the Board of the Cancer Institute NSW by Mr John Stubbs (see page 41).

Waste reduction

The Cancer Institute NSW continued to observe and practice the principles contained within the Government's Waste Reduction and Purchasing Policy by implementing an action plan promoting the minimisation and recycling of generated waste and the use/purchase of recycled materials, when and where appropriate.

Reducing waste generation

The Cancer Institute NSW reduces its generation of waste paper by using electronic communication methods, including email and making published reports, papers and brochures available on the Cancer Institute NSW's website.

Our new records management system will ultimately accommodate full electronic document management and greatly reduce the volume of paper-based records.

The generation of waste paper is further reduced by double-sided printing and copying, which is actively encouraged across all areas of the Cancer Institute NSW.

Increasing resource recovery

The Cancer Institute NSW returns all used toner cartridges (printers and copies) for recycling and paper waste is collected within strategically placed bins for collection and recycling by a contracted service provider.

Increasing usage of recycled material

The Cancer Institute NSW purchases recycled content product when feasible and cost effective. This report is printed on recycled paper.

Electronic Service Delivery

As part of our commitment to electronic service delivery, the Cancer Institute NSW implemented a range of initiatives in 2007–08:

- Developed an additional 371 web-based standard cancer treatment protocols (in addition to the existing 300 that were developed in FY07). Total: 671.
- Launched an online list of Cancer clinical trials in New South Wales. Available at http://trials.cancerinstitute.org.au.
- As part of the Central Cancer Registry (CCR) redesign, launched electronic cancer notification from private hospitals to the NSW Central Cancer Registry (Cancer Notification Portal).
- Provided 40 cancer journals and at least 19 cancer textbooks for clinicians throughout the NSW Health system.
- Enhanced usability, navigation and functionality of cancerinstitute.org.au to encourage use.
- Loaded more than 25 key reports, monographs, positions statements and posters to cancerinstitute.org.au.
- Hosted and/or maintained websites, including:
  - cancerinstitute.org.au (including statistics module)
  - Challenges in Cytology (www.challengesincytology.com)
  - CHeReL (www.cherel.org.au)
  - NSW Cervical Screening Program (www.csp.nsw.gov.au)
  - Dark Side of Tanning (www.darksideoftanning.com.au)

Sponsorships and community grants

PURPOSE	ORGANISATION	AMOUNT
Australia and New Zealand Society of Palliative Medicine Conference	Australia and New Zealand Society of Palliative Medicine	$7,272.73
Grant to Cancer Voices NSW	Cancer Voices NSW	$4,000.00
COSA-IACR 2008 Joint Scientific Meeting Incorporating ANZGOSA	Clinical Oncology Society of Australia (COSA)	$40,000.00
COSA Annual Scientific Meeting 2007	Clinical Oncology Society of Australia (COSA)	$8,181.82
GLIOMA 2007 Conference	DC Conferences Pty Ltd	$5,000.00
Sponsorship of GP Education Evening	Dubbo/Plains Division of General Practice Ltd	$545.45
Funding for Living with Healthy Breasts Session	Faculty of Nursery and Midwifery, University of Sydney	$21,513.90
Garvan Signalling Symposium	Garvan Institute of Medical Research	$15,000.00
Sixth Biennial International Sentinel Node Society Meeting	International Sentinel Node Society	$13,636.36
Printing of Haematology and Medical Radiation information for patients	Medical Psychology Research Unit, University of Sydney	$1,420.20
Sponsorship of the 2007 Oxygen Rock Eisteddfod Challenge	Rock Eisteddfod Challenge Foundation	$50,000.00
Special Children's Christmas Party, Sydney	Special Children's Christmas Party, Sydney	$4,090.91
Sponsorship for St. Vincent's Campus Research Symposium	St. Vincent's Hospital Sydney Ltd	$1,818.18
Sponsorship of AGSA'S Annual BRCAI/Z and unknown gene faults Information Day	The Association of Genetic Support of Australasia Inc	$7,727.27
The Association of Regulatory and Clinical Scientists (ARCS) Australia Annual Scientific Meeting	The Association of Regulatory and Clinical Scientists (ARCS) Australia	$1,545.45
Sponsorship of the NSW Radiotherapy Club meetings	The Royal Australian and New Zealand College of Radiologists	$2,727.27
Sponsorship of the Society of Hospital Pharmacists of Australia 28th Federal Conference 2007	The Society of Hospital Pharmacists of Australia	$5,454.54
Sydney Cancer Conference	The University of Sydney	$12,090.91
15th International Vascular Biology Meeting	The University of Wollongong	$6,363.64
International Biannual Conference on Micro-Mini Dosimetry and New Technologies for Prostate Cancer Treatments	The University of Wollongong	$7,000.00
TOTAL		**$215,388.63**

Agreements and joint programs

Agreements and Memorandums of Understanding

- Memorandum of Understanding between the Cancer Institute NSW and Cancer Voices NSW (CVN) to include at least one CVN consumer representative to sit on relevant Cancer Institute NSW committees and working parties to ensure the interests of people affected by cancer in NSW are represented.
- Memorandum of Understanding between Cancer Institute NSW, NSW Health and The Cancer Council NSW for the review of the NSW Skin Cancer Prevention Strategic Plan 2001–2005 and the development of the *NSW Skin Cancer Prevention Strategic Plan 2006–2010*.
- Memorandum of Understanding for the Implementation and Management of BreastScreen NSW between the New South Wales Department of Health and the Cancer Institute NSW.
- Under the Public Health Outcomes Funding Agreement (PHOFA), the NSW Government and the Australian Government jointly fund the Breast Screening service in NSW.
- The BreastScreen NSW program is delivered through Performance and Funding Agreements between Cancer Institute NSW and Area Health Services. A contract with ACT Health provides services to women in the South East region of NSW.
- Memorandum of Understanding between Cancer Institute NSW and Sydney West Area Health Service for the operation of the BreastScreen NSW Central Screen Reading Facility (CRF).
- Memorandum of Understanding between the Cancer Institute NSW and The Sax Institute to develop a Costing and Economic Evaluation Unit (CEEU).
- Five-year partnership agreement between The Cancer Council NSW and the Cancer Institute NSW.
- Memorandum of Understanding between NSW Health, the Cancer Institute NSW and other partners for the establishment of a Centre for Health Record Linkage.
- Memorandum of Understanding for membership agreement between the University of Western Sydney, NSW Health and the Cancer Institute NSW for the Centre for Health Record Linkage.
- Agreement with Health Support Services extended to include personnel for radiotherapy application support.
- Memorandum of understanding with NSW Health for the operations of the Cervical Screening Program, Pap Test Register and the NSW Central Cancer Registry.
- A deed of agreement with Family Planning NSW to fund practice nurse training in cervical screening and GP up-skilling courses.
- Deeds of agreement with Area Health Services to fund cost of cytology.
- The Cancer Institute NSW also has a series of contracts with NSW General Practice Divisions to fund initiatives to increase participation in cervical screening.
- Memorandum of understanding with ACT Health for the management of ACT cancer registrations.
- A two-year Memorandum of Understanding with NSW Health to reduce tobacco-related morbidity and mortality among Aboriginal people in NSW.
- A Memorandum of Understanding with the Cancer Council NSW for the Melanoma Awareness Campaign.
- A Memorandum of Understanding with the Health Administration Corporation for the implementation of the *Go for 2 & 5®* health education campaign.

Joint Programs

- The Cancer Institute NSW has entered into an agreement with the Sydney Melanoma Unit to identify all new melanoma notifications relating to NSW residents over a one year index period. Information will the be gathered and analysed about the nature, utilisation and access to, diagnostic and pathology services, the quality of pathology services, the adherence to guidelines or best practice recommendations for treatment and psychosocial services, family history and referral patterns.
- A partnership with the Cancer Epidemiology Research Unit at The Cancer Council NSW has been established to analyse data collected for patterns of care studies on the management and treatment of colorectal, lung and prostate cancers.

Statutory committees

Audit and Risk Committee

MEMBER	POSITION	INSTITUTION/LOCATION
Dr Patrick Cregan (Chair)	Clinical Director Surgery	Wentworth Area Health
Mr John Stubbs	Executive Officer	Cancer Voices Australia
Prof Jim Bishop	Chief Cancer Officer	Cancer Institute NSW
Ms Beth Macauley	Chief Operating Officer	Cancer Institute NSW
Mr Phil O'Toole	Director Risk Management Services	IAB
Mr David Sabanayagam	Finance Manager,	Cancer Institute NSW
Dr Paul Moy	Managing Director	UBS Global Asset Management
Mr James Sugumar	Director, Financial Audit Service	Audit Office

Cancer Research Advisory Committee

MEMBER	POSITION	INSTITUTION/LOCATION
Prof Stephen Ackland	Medical Oncologist	Newcastle Mater Misericordiae Hospital
Prof Michael Barton	Professor of Radiation Oncology	Liverpool Health Service
Prof Jim Bishop	Chief Cancer Officer and CEO	Cancer Institute NSW
Ms Mercia Bush	Community Representative	
A/Prof Christine Clarke	Research Group Leader	Westmead Institute for Cancer Research
Prof Enrico Coiera	Director	The Heart Research Institute
A/Prof Roger Daly	Head, Signal Transduction Group	Garvan Institute of Medical Research
Ms Cheryl Grant	Consumer Representative	Cancer Voices NSW
Prof Peter Gunning (Chair)	Head - Oncology Research Unit	The Children's Hospital at Westmead
Dr Anne Hamilton	Staff Specialist	Royal Prince Alfred Hospital
Prof Philip Hogg	Senior Principal Research Fellow	University of New South Wales
Prof Douglas Joshua	Director, The Institute of Haematology	Royal Prince Alfred Hospital
Dr Deborah Marsh	Head, Functional Genomics Laboratory	Kolling Institute of Medical Research
Prof Murray David Norris	Executive Director	Children's Cancer Institute Australia
Prof John Rasko	Haematologist	Royal Prince Alfred Hospital
Prof Rodney Scott	Director of the Division of Genetics	John Hunter Hospital
Prof Robyn Ward	Medical Oncologist	St Vincent's Hospital
Ms Rowena Tucker		OSMR

NSW Population and Health Services Research Ethics Committee

MEMBER	SPECIALISATION
Prof Richard Madden (Chair)	Chairperson
Dr Sallie Pearson (Deputy Chair)	(Deputy Chair) Clinical Research
Mr Anthony Kolbe	Research Experience
Prof Madeleine King	Research Experience
Prof Andrew Grulich	Research Experience
A/Prof Andrew Biankin	Professional Care
A/Prof Bettina Meiser	Professional Care
Dr Lyndal Trevena	Professional Care
Ms Rachel Williams	Lay Member
Mr Michael Costello	Lay Member
Dr Isabel Karpin	Legal Member
Rev Jonathan Humphries	Religious Member
Ms Rebecca Johnstone (resigned Oct 07)	Legal Member

NSW Clinical Research Ethics Committee

MEMBER	SPECIALISATION
Prof Ian Olver (Chair)	Chairperson
Dr Winston Liauw (Deputy Chair)	Research Experience
A/Prof Peter Shaw	Research Experience
Dr Meera Agar	Research Experience
Dr Colum Smith	Research Experience
Mr Chris Hodgkins	Professional Care
Ms Trisha Brisley	Professional Care
Dr Alison Hadley	Professional Care
Dr Yaw Sinn Chin	Professional Care
Prof Neil Merrett	Professional Care
Ms Rada Kusic (resigned Dec 07)	Professional Care
Mr Andrew Heys	Lay Member
Ms Lynn Hegarty	Lay Member
Ms Simone Herbert -Lowe	Legal Member
Rabbi Dovid Slavin	Religious Member

Statutory committees (continued)

Clinical Services Advisory Committee

MEMBER	POSITION	INSTITUTION/LOCATION
Prof Paul Harnett (Chair)	Director of Area Cancer Services	South West Area Health Service (AHS)
Dr Christopher Arthur	Director of Area Cancer Services	Northern Sydney Central Coast AHS
Prof Richard Chye	Director Palliative Care	South Eastern Sydney Illawarra AHS Northern Sector
Ms Kerry Cooke	Community Representative	TOWER Australia Limited, Policy Support and Document Control
Ms Sally Crossing	Consumer Representative	Cancer Voices
Dr Luciano Dalla Pozza	Head, Dept of Oncology, Paediatric Oncologist	The Children's Hospital at Westmead
Prof Robyn Ward	Director of Area Cancer Services	South Eastern Sydney Illawarra AHS
Dr Henry Hicks	Clinical Director for Cancer Services	Greater Southern Area Health Service
Ms Ruth Jones	Manager of Area Cancer Services	Greater Western AHS
Dr Catherine Mason	Senior Staff Specialist, Director of Psycho-oncology	Sydney West Cancer Network, Westmead Hospital
Ms Kathy Meleady	Director, Statewide Services	NSW Health
Ms Catherine Murray	Senior Nurse Manager, Cancer Therapy Centre	Liverpool Hospital
Ms Chris Packer	Cancer Services Development Manager	Greater Southern AHS
Prof Cliff Hughes	CEO	Clinical Excellence Commission
Dr Column Smith	Director of Area Cancer Services	Hunter New England AHS
A/Prof Thomas Shakespeare	Director of Area Cancer Services	North Coast AHS
Prof Kate White	Director Research Support Unit	Research Development and Support Unit, The University of Sydney
A/Prof Michael Boyer	Acting Director of Area Health Services	Sydney South West AHS
Dr Craig Underhill	Director of Area Cancer Services	Greater Southern AHS
Paul Grimmond	Program Managers, Cancer Services	St. Vincent's Hospital
A/Prof Robin Stuart- Harris	Director of Area Cancer Services	Greater Southern AHS
Prof Michael Kidd	Head Discipline of General Practice	Balmain Hospital
Dr Kerry Chant	NSW Health, Health Protection	NSW Health
A/Prof David Gillett	Breast Surgeon	The Strathfield Breast Centre

Quality and Clinical Effectiveness Advisory Committee

MEMBER	POSITION	INSTITUTION/LOCATION
Prof Cliff Hughes	CEO	Clinical Excellence Commission
Prof Bruce Barraclough	Professor	University of Sydney
Prof Michael Barton	Professor of Radiation Oncology	Collaboration for Cancer Outcomes Research and Evaluation
Prof Stewart Dunn	Professor of Medical Psychology	Royal North Shore Hospital
Prof Paul Harnett	Director Area Cancer Services	Sydney West AHS
Ms Elisabeth Kochman	Consumer Representative	Cancer Voices
Dr Karen Luxford	General Manager	National Breast and Ovarian Cancer Centre
Ms Anne Lloyd	Cancer Services Development Manager	Sydney West AHS
Ms Maureen McGovern	Cancer Services Development Manager	North Coast AHS
Ms Catherine Murray	Clinical Manager, Cancer Services	Sydney South West AHS
Ms Barbara Rodham	Associate Director, Quality and Safety Branch	NSW Department of Health
Dr David Townend	Surgeon	St. Vincent's Hospital, Lismore
Mr Mark Tweeddale	Consumer Representative	
Dr Craig Underhill	Oncologist	Border Cancer Collaboration

Other committees and working parties run by the Cancer Institute NSW for 2007–08 can be found on our website at: www.cancerinstitute.org.au

Media releases

DATE	MEDIA RELEASE
02 July 2007	NSW Pubs, Clubs, Nightclubs and Casino Go Smokefree
20 July 2007	Cluster Study Highlights Breast Cancer Facts
08 August 2007	SmokeCheck: $1 million to Reduce Aboriginal Smoking Rates
23 August 2007	Improved BreastScreen Services for the Central West
27 August 2007	Daffodil Day 2007: NSW Government Gives all Cancer Patients the 'Best Chance'
31 August 2007	SmokeFree Pubs and Clubs - Two Months On
01 September 2007	Prostate Cancer Rates Set to Rise by More Than 13%
17 September 2007	New Campaign Warns of Tanning's Darker Side
08 October 2007	New Landmark Report: Few Cancer Sufferers Die at Home
09 October 2007	NSW Government Funds Cancer Breakthrough
17 October 2007	It's Official: NSW is a World Leader in the Fight Against Cancer
19 October 2007	The Iconic 'Sponge' Returns to NSW TV Screens
22 October 2007	Record Number Having Mammograms; But One in Ten Women Continue to 'Gamble' with their Health
22 October 2007	Funding Boost for Breast Cancer Awareness in Western Sydney
24 October 2007	$1 Million for The 'Best And Brightest' Young Cancer Specialists
26 October 2007	NSW Cancer Patients now have Better Access to Lifesaving Treatment
30 October 2007	$1 Million to Improve Cancer Treatment in Regional NSW
03 November 2007	Country life does not lessen your chances of beating breast cancer
08 November 2007	Lung Cancer to Overtake Breast Cancer as Biggest Killer
08 November 2007	NSW Targets Largest Cause of Cancer Deaths: Lung Cancer
20 November 2007	National Skin Cancer Action Week
23 November 2007	North Coast Gets Digital BreastScreen 12 Months Early
23 November 2007	TV Viewers to be Confronted with the 'Dark Side Of Tanning'
29 November 2007	$14.5 Million for Cancer Research
06 December 2007	Cancer Deaths Drop for Second Consecutive Year
16 December 2007	If Smoking was a Friend

DATE	MEDIA RELEASE
16 January 2008	Comprehensive National Plan to Regulate Solarium Industry
18 January 2008	Shop Shuts On Flavoured Cigarettes Today
21 January 2008	Sun Safety Message Crucial to Fight Against Skin Cancer
03 February 2008	Pre-cancer Rise Prompts Pap Test Warning
06 February 2008	NSW Breast Screen Services Leading the Fight Against Cancer
08 February 2008	Graphic Anti-Smoking Ads Turning Teens Off Cigarettes
16 February 2008	Ignorance About Exercise, Weight and Diet a Cancer Risk
28 February 2008	Plan To Protect Our Kids From Cigarette Harm
28 February 2008	Health Risks Worry State's Smokers But Still Too Many Ignoring Evidence – New Survey
05 March 2008	NSW Among Global Top Three For Life-Saving Cancer Research
23 March 2008	New Ad Urges Smokers to Avoid a Living Breathing Hell
02 April 2008	NSW Welcomes Federal action on fruit-flavoured tobacco
22 April 2008	Iemma Government's tough new anti-smoking measures
28 April 2008	Dramatic Increase in Thyroid Cancer in NSW
28 April 2008	New Generation Breastscreen Technology
15 May 2008	NSW Set to Capture Greater Share of Global Clinical Trials Industry
22 May 2008	Tobacco Control Advocate Awarded Top Cancer Research Honour
25 May 2008	Women Should Know All Options for Breast Cancer Treatment
28 May 2008	North Coast at Forefront of BreastScreen Technology
30 May 2008	Protecting children the goal of World No Tobacco Day
03 June 2008	Record investment in cancer prevention and research
15 June 2008	New Therapies Could Save Thousands from Breast Cancer
16 June 2008	Cancer Institute Report Reveals New Hope for the 'Unknown Cancer'

Ministerial representations received

ITEM	2007–08
Ministerial correspondence and brief requests (NSW Health)	118

Publications

DATE PUBLISHED	PUBLICATION	TITLE	AUTHORS
October 2007	Monograph	*Survival from cancer in NSW: 1980 to 2003*	Elizabeth Tracey, Helen Barraclough, Wendy Chen, Deborah Baker, David Roder, Paul Jelfs, James Bishop.
October 2007	Report	*Place of death of people with cancer in NSW: a population based study*	Bruce Tabor, Elizabeth Tracey, Paul Glare, David Roder.
November 2007	Report	*Cancer in NSW: Incidence, Mortality and Prevalence 2005*	Elizabeth Tracey, Deborah Baker, Wendy Chen, Efty Stavrou, James Bishop.
November 2007	Report	*Cancer Institute NSW Annual Report 2007*	Cancer Institute NSW
December 2007	Monograph	*Bowel Cancer in New South Wales*	Jennifer Duncombe, Diane Hindmarsh, Deborah Baker, Stephen Morrell, Kris Rogers, Paul Jelfs, James F Bishop.
December 2007	Monograph	*Cancer and Lifestyle Factors*	Trish Cotter, Donna Perez, Anita Dessaix, Deborah Baker, Michael Murphy, Jennifer Crawford, Julie Denney, James F Bishop.
January 2008	Monograph	*Cancer incidence and mortality projections in NSW, 2007 to 2011*	Robert Aitken, Stephen Morrell, Helen Barraclough, Deborah Baker Mark Clements, Paul Jelfs, James F Bishop.
February 2008	Monograph	*NSW Smokers' Attitudes and Beliefs: Changes Over Three Years*	Trish Cotter, Donna Perez, Anita Dessaix, Jennifer Crawford, Julie Denney, Michael Murphy, James F Bishop.
February 2008	Report	*Cervical Cancer Screening in New South Wales: Annual Statistical Report 2005*	Noore Alam, Clare Banks, Wendy Chen, Deborah Baker, Grace Kwaan, James Bishop.
March 2008	Monograph	*Cancer Research in New South Wales 2001–2006*	Heidi Welberry, Carmel Edwards, Adele Weston, Charles Harvey, Concepción S Wilson, Sebastian K Böll, Margaret Lo, James F Bishop.
April 2008	Monograph	*Thyroid Cancer in New South Wales*	Efty P. Stavrou, Deborah F. Baker, Heather J. McElroy, James F. Bishop.
May 2008	Monograph	*Cancer Clinical Trials in NSW 2004–2006*	Heidi Welberry, Angelina Catanzariti, Carmel Edwards, James F Bishop.
May 2008	Monograph	*The Health Returns on Investment in Cancer Research*	Parisa Glass, M Lynne Pezzullo, Henry G Cutler, Katie A Yates, Elizabeth A Tracey, Heidi Welberry, Angelina Catanzariti , James F Bishop.

DATE PUBLISHED	PUBLICATION	TITLE	AUTHORS
May 2008	Report	*NSW Cancer Research Achievement Report*	Cancer Institute NSW
May 2008	Monograph	*Unknown Primary Cancer In NSW*	Elizabeth Tracey, Parisa Glass, David Roder, David Currow, Paul Jelfs, James Bishop.
May 2008	Monograph	*Alcohol as a Cause of Cancer*	Samara Lewis, Suzanne Campbell, Emma Proudfoot, Adèle Weston, Trish Cotter, James F Bishop.
June 2008	Monograph	*The Health Economics of Chemoprevention for Breast Cancer in Australia*	James F Bishop, Parisa Glass, M Lynne Pezzullo, Penny S Taylor, Peter T Moore, Bonny T Parkinson, Trish Cotter, Elizabeth A Tracey.
June 2008	Monograph	*New South Wales Cancer Patient Satisfaction Survey 2007: Interim Results*	Gaynor Heading, Nadine A Mallock, Sue Sinclair, James F Bishop.

All publications can be found on the Cancer Institute NSW website at www.cancerinstitute.org.au/publications.

Overseas travel

STAFF	PURPOSE/CONFERENCE	PLACE	DATE
Prof. Jim Bishop	International Association for the Study of Lung Cancer 12th World Conference on Lung Cancer	Seoul, South Korea	2–6 September, 2007
Prof. Jim Bishop	San Antonio Breast Cancer Symposium	San Antonio, USA	12–15 December, 2007
Prof. Jim Bishop	ASCO Annual Meeting in Chicago	Illinois, USA	30 May–3 June, 2008
Elizabeth Tracey	Annual meeting of the International Association of Cancer Registries and the pre-congress course on spatial statistics in cancer epidemiology	Ljubljana, Slovenia	18–20 September, 2007
Narelle Grayson	Attend meeting of the Australasian Mortality Data Interest Group	Wellington, New Zealand	29–30 November, 2007
Aisling Kelly	Attend the 44th American Society of Clinical Oncology (ASCO) Annual Meeting	Chicago, USA	30 May–3 June, 2008
Shelley Rushton	Attend the 44th American Society of Clinical Oncology (ASCO) Annual Meeting	Chicago, USA	30 May–3 June, 2008
Sue Sinclair	Health Services & Policy Research Conference 2007	Auckland, New Zealand	2–5 December, 2007
Mark Anns	Attend the 44th American Society of Clinical Oncology (ASCO) Annual Meeting	Chicago, USA	30 May–3 June, 2008
Gaynor Heading	Attend the Supportive Care in Cancer 2008 International Symposium	Texas, USA	26–27 June, 2008
Trish Cotter	Bloomberg Global Initiative Tobacco Control Conference	Cape Town, South Africa	6–9 November, 2007
Trish Cotter	Oceania Tobacco Control Conference	Auckland, New Zealand	4–7 September, 2007
Donna Perez	Oceania Tobacco Control Conference	Auckland, New Zealand	4–7 September, 2007

Performance statement

Prof. James F Bishop, AO MD MMed MBBS FRACP FRCPA
Chief Cancer Officer and CEO
Cancer Institute NSW
Professor of Cancer Medicine,
University of Sydney
Contract commenced on 8 October 2003
Total remuneration package: $383,300

A panel from the Cancer Institute NSW Board, chaired by the Chair, the Hon. Peter Collins QC, conducted Prof Bishop's performance review.

The panel concluded that Prof Bishop exceeded expectations in his performance as Chief Cancer Officer and Chief Executive Officer and approved Prof Bishop's re-appointment for a further five years.

Key activities undertaken and achievements of Prof Bishop during 2007–08 include:

Cancer Prevention: new anti-tobacco advertising campaigns continued to have a high impact on smokers' quitting intentions; tanning behaviour decreased five per cent; an additional 25,000 Pap tests were completed during the 2008 cervical screening campaign period.

Cancer Screening: the number of women in the target age group participating in biennial breast screening peaked in November 2007 at 408,430; digital mammography machines were installed at 14 fixed sites and on three mobile vans; there was an increase in cervical screening participation rates in the biennial reporting period to over 60 per cent; a clinical and economic evaluation of bowel cancer screening in Australia was completed.

Cancer Services and Education: 142 clinical positions were funded; the Cancer Services Accreditation Pilot Program was completed; $1.9 million was allocated to support the Health Services Innovation Grant Program; the first cancer patient experience survey was conducted in NSW.

Cancer Research: six translational programs were funded; $22 million was invested in long-term grants for cancer researchers; 29 ongoing Research Infrastructure Grants were funded; a statewide portfolio of trials and web-based listing of actively recruiting trials was established.

Cancer Information and Registries: five Area Health Services completed their collection of 2006 cancer data; nearly 20 million health records were linked; seven cancer reports were completed; seven papers were published in peer-review journals.

Corporate Governance: external audit was unmodified; Risk Management Plan completed; strategic planning completed.

Ethnic Affairs Priorities Statement

The Cancer Institute NSW recognises the cultural and linguistic diversity of the NSW community and we are committed to ensuring that our services are provided in a culturally appropriate and competent manner.

Our Ethnic Affairs Priority Statement (EAPS) Management Plan sets out strategies for ensuring our services are accessible to all members of the public, including those from culturally and linguistically diverse communities who may otherwise face difficulties in finding out about our services and understanding how we may be able to help them.

Specifically, our EAPS Management Plan aims to improve community access to cancer services across NSW thus enhancing the quality of care and the health of the community.

The Cancer Institute NSW also works closely with NSW Health and Area Health Services across NSW who are responsible for the delivery of cancer services. Each of these organisations have implemented measures that are aimed at improving community access to cancer services across NSW that recognise the cultural and linguistic diversity of the NSW community.

NSW Government Action Plan for Women

The NSW Government Action Plan for Women outlines the Government's commitments, priorities and initiatives for women. The Action Plan focuses on initiatives specially designed to meet women's needs and ways in which Government agencies take account of women in delivering their core services.

In the case of the Cancer Institute NSW this is especially relevant with respect to women's health issues and in particular our programs and services that address the prevention, early detection and treatment of cancers in women.

The Cancer Institute NSW has statutory responsibilities to substantially improve cancer control in NSW and has developed, through the *NSW Cancer Plan 2007–2010*, initiatives and programs that are directly aimed at improving the health and quality of life of women in NSW.

Our programs aimed at women also recognise the Women's Health Outcomes Framework developed by NSW Health, which provides a framework for advancing the health and wellbeing of disadvantaged women in NSW. Our major program and campaign areas that address the prevention, early detection and treatment of cancers in women are:

BreastScreen NSW

BreastScreen NSW is a free breast screening service targeting women aged 50 to 69 years and is available to all women over 40 years of age. This service is managed by the Cancer Institute NSW and aims to detect breast cancer in its early stages, when treatment can be most effective.

NSW Pap Test Register

The Pap Test Register provides a follow-up and reminder service to women to encourage them to have regular Pap tests every two years.

NSW Cervical Screen Program

Develops and implements strategies to recruit all women in the target groups to undergo regular two-yearly Pap tests, including providing appropriate information and ensuring access to appropriate services.

- Supports General Practitioner structures and activities to facilitate their primary role in developing acceptable Pap test services to women.
- Works with laboratories to optimise their role in cervical screening.
- Promotes best clinical practice in cervical screening.
- Undertakes ongoing operations-oriented research, monitoring and evaluation to support and guide the directions of the Program.

Glossary

Accreditation

The process by which a private or public agency evaluates and recognises an institution as fulfilling applicable standards. The determination that an institution meets these standards is also referred to as accreditation of the program or institution.

Allied health professionals

Specially trained and/or licensed health care workers, other than physicians, dentists. Refers to podiatrists, chiropractors, optometrists and nurses.

Ambulatory care

Health services provided without the patient being admitted to hospital. Also called outpatient care.

Cancer control

An integrated and coordinated approach to reducing cancer incidence, morbidity and mortality through prevention, early detection, treatment, rehabilitation and palliation.

Cancer incidence

The number of new cases of cancer occurring in a defined population during a given period.

Cancer mortality

Deaths from cancer in a defined population during a specified period. It may be used to denote numbers or rates.

Cancer Nurse Coordinator

A nurse with specialist and expert training in cancer care who facilitates patient centred cancer care, and continuity of care throughout the patient's care journey.

Cancer prevalence

Cancer prevalence is defined as the number of people alive on a certain date in a population who have been previously diagnosed with the disease. It includes new cancers (incidence) and pre-existing cancers and represents the number of people both newly diagnosed and surviving.

Cases

These are individual cancers. A person may have more than one cancer, giving rise to multiple cases in the same person. Second cases in one person are counted only if they are of different cell type or originate in a different organ.

Central Cancer Registry

Also known as a population-based cancer registry. Central cancer registries collect incidence and survival data on all cancer patients who reside in a defined geographical area or who are diagnosed and/or treated for cancer in a geographical area. Population-based cancer registries are essential for assessing the extent of cancer burden in a specific geographic area.

Clinical Cancer Registry

Cancer information system that allows monitoring of quality of care and outcomes for cancer patients and their carers.

Chronic disease

Diseases that have one or more of the following characteristics: they are permanent, leave residual disability, are caused by non-reversible pathological alteration, require special training of the patient for rehabilitation, or may be expected to require a long period of supervision, observation or care.

Clinical pathway

Multidisciplinary plans of best clinical practice for specified groups of patients with a particular diagnosis, that aid in the coordination and delivery of high-quality care.

Clinical practice guidelines

Published guidelines issued by a central authority that are aimed at informing medical practitioners of treatment and investigation methods preferred by experts and/or proven by research.

Clinical trial

Research conducted with the patient's permission, usually involving a comparison of two or more treatments or diagnostic methods, with the aim of gaining better understanding of the underlying disease process and/ or methods by which it may be treated. A clinical trial is conducted with rigorous scientific method for determining the effectiveness of a proposed treatment.

Combined modality treatment

The integration of two or more forms of treatment to combat cancer, i.e. radiation and surgery, radiation and chemotherapy or surgery, radiation and chemotherapy.

Complementary therapies

A range of approaches to care provision aimed at enhancing quality of life, including (but not limited to) relaxation therapy, music, art, prayer, visualisation, guided imagery, massage, aromatherapy and dietary therapies, and other socialisation programs aimed at good health.

Community

The broad range of stakeholders with an interest in health services. This includes individual consumers, organisations and groups, health professionals and specific populations. (Source: NSW Department of Health, Circular 2003/1, January 2003).

Consumer

An individual who uses or is a potential user of health services, including the family and carers of patients and clients. (Source: NSW Department of Health, Circular 2003/1, January 2003).

Crude rate

An estimate of the proportion of a population that is diagnosed with (or dies from) cancer during a specified period. It is usually expressed per 100,000 people in the population per year.

Lead Clinician

A clinician member of an area-wide, site-specific clinical group who takes responsibility for the group's coordination and operation. This clinician need not necessarily be the most professionally or academically senior member of the group. (Source: NSW Health (2003) A Clinical Service Framework for Optimising Cancer Care in NSW)

Linear accelerator

Machinery that produces beams of X-rays or high-energy electrons that are focussed onto a tumour within the body. Also known as a linac.

Medical oncologist

A specialist medical practitioner who studies and treats cancer using chemotherapy and other drugs.

Medical physicist

Scientific specialist who establishes, implements and monitors processes that allow optimal treatment using radiation, taking account of the radiation protection of patients and others.

Medicare

A national, Government-funded scheme that covers all Australians to help them afford medical care, by subsidising the cost of personal medical services.

Multidisciplinary care

An approach combining the knowledge, skills and expertise of a range of organisations and professionals, whereby all members of the team liaise and cooperate together with the patient to diagnose, treat and manage the condition to the highest possible standard of care.

Oncology

The science of the treatment of malignant cancers, either with surgery, radiotherapy, chemotherapy or combinations of these modalities.

Palliative care

The active total care of patients whose disease is not responsive to curative treatment. Control of pain, of other symptoms, and of psychological, social and spiritual problems is paramount. The goal of palliative care is to achieve the best quality of life for patients and their families.

Pathology

The branch of medicine concerned with disease, especially its structure and its functional effects on the body.

Peer Review

A process whereby peers professionally evaluate a colleague's work.

Population health

The health of groups, families and communities. Populations may be defined by locality, biological criteria such as age or gender, social criteria such as socioeconomic status, or cultural criteria.

Population health outcomes

Used to describe a change in the health status of a population due to a planned program or series of programs, regardless of whether such programs were intended to change health status.

Population screening

The process of looking for disease in a defined population that has no obvious symptoms.

Psychosocial support

The culturally sensitive provision of psychological, social and spiritual care.

Quitline

Australia-wide telephone information and advice service for people who want to quit smoking.

Radiation oncologist

A medical practitioner who specialises in the treatment of cancer patients, using radiation as the main modality of treatment.

Radiation oncology

The study and treatment of cancers using radiation (X-rays, gamma rays or electrons).

Radiation therapist

A radiation treatment specialist who is directly responsible for the practical implementation of the prescribed course of radiotherapy.

Site

The place in the body where the cancer occurs.

Treatment protocol

A treatment plan or outline. In clinical trials, a protocol is the plan for using an experimental procedure or treatment.

Index

Report production details
500 copies were produced
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Bowel Screening: 1800 118 868
(National Bowel Cancer Screening Program Information Line)