CNA
Catholic Network Australia

2011–2012
ANNUAL REPORT

EDUCATION SITES

1,634

STUDENTS

625,000

STAFF

67,000

Catholic Network Australia Limited

Catholic Network Australia Limited (CNA) is a subsidiary company of Catholic Resources Limited. It was created to procure and manage a private telecommunications network and associated technology services for the Catholic Church.

PARTICIPANTS

Current Participants in CNA include the following dioceses and religious institutes:

- The Archdiocese of Canberra and Goulburn
- The Diocese of Armidale
- The Diocese of Broken Bay
- St Augustine's College, Sydney
- Trustees of the Marist Brothers
- The Archdiocese of Sydney
- The Diocese of Parramatta
- The Diocese of Wollongong
- The Diocese of Wagga Wagga
- The Diocese of Bathurst
- The Diocese of Wilcannia-Forbes
- The Diocese of Lismore
- The Diocese of Maitland-Newcastle
- The Archdiocese of Brisbane
- The Diocese of Townsville
- The Diocese of Cairns
- The Diocese of Rockhampton
- The Diocese of Toowoomba
- The Archdiocese of Adelaide
- The Diocese of Port Pirie
- The Archdiocese of Hobart
- The Archdiocese of Melbourne
- The Diocese of Ballarat
- The Diocese of Sale
- The Diocese of Sandhurst
- The Archdiocese of Perth
- The Diocese of Geraldton
- The Diocese of Broome
- The Diocese of Bunbury

Key Activity

The initial activity of CNA involved the rollout of high-speed broadband connections to 1,664 Catholic schools and associated administrative offices across Australia. CNA services to the Catholic education sector also include the provision of a National Core Network which interconnects the five major data centres currently servicing Catholic schools across Australia. These data centres are located in Perth (CathEdNet), Adelaide (CESAnet), Melbourne (CEVN), Brisbane (Lincs) and Sydney (CEnet).

While the anchor tenant on the network is the education sector, CNA's charter includes the delivery of services to all sectors of the Catholic Church including health, aged care, welfare and diocesan parishes and agencies.

From the Chair

It is with great pleasure that the board presents this Annual Report of Catholic Network Australia Limited. CNA's most significant achievement to date has been to rollout enhanced telecommunications services to 1,663 Catholic schools and offices across the country. The network has created Australia's only truly national education network by connecting schools from geographically diverse locations together on a single national network. A range of educationally-focussed services is also delivered to participants on the network.

The establishment of the network was possible because various entities within the Catholic education sector combined their energy and resources to participate in a project which delivered mutually beneficial outcomes. Collaboration across the education sector has increased with the development of new education services for participants.

The board is grateful to the many people who have made CNA the success it is, not least of whom are the Australian Catholic Bishops Conference who supported the creation of CNA, no doubt mindful of the benefit it would bring to the education sector and to the wider Church community. Our thanks also go to those who serve with dedication on board subcommittees. Those on the Education Standing Committee frame the services delivered on the network and coordinate joint procurement activities. Delivery of ICT services to participants requires close cooperation with service partners, who include Telstra, Catholic Education Office Melbourne and CEnet and we thank them for their service to participants.

CNA has completed an important price review of CNA Telstra services and I am very pleased with the resulting 80 per cent price reduction for the CNA Internet Service making the service comparable to wholesale services.

CNA is only possible because of the willingness of Catholic Church entities to collaborate on the delivery of shared ICT services. CNA is liaising with Catholic Church organisations from sectors other than education with the aim of broadening services for the Church. To this end, CNA and Telstra are piloting a process for aggregating purchasing for diocesan organisations and parishes. The results of this pilot will be known early in 2013.

The company is in a solid financial position and is well placed to add value to Catholic institutions that seek to be part of private telecommunications networks.

I thank my fellow directors for their contribution to this essential platform for the Australian Catholic Church. I extend particular thanks to the Bishops who comprise the Commission for Administration and Information, chaired by Bishop Hanna, for their ongoing guidance and support.

Julie-Anne Schafer

Services Summary

There is a range of services available for CNA sites belonging to the education sector.

TELECOMMUNICATION SERVICES

CNA's telecommunication services include internet access and internet data, a national core network, site connections, virtual private networks, network-router monitoring and management, router purchase and maintenance. These are all sourced via CNA's contract with Telstra.

Some of these services are discrete to a Participant (e.g. site connections) but many are shared across numerous or all Participants (e.g. the Core Network).

CNA education services include:

- CNA Education Staff Portal and related Identity Management System
- CNA Contemporary Learning Resources
- CNA Models of Contemporary Learning
- *ePotential* tool which is an online mechanism enabling teachers to assess their readiness to utilise ICT in the classroom.

The education sector procured a new *CNA Education Staff Portal* in 2012, which provides access to all CNA education services.

The new portal is enhancing the work of the Contemporary Learning Working Group, which has conducted a successful blogging pilot among teachers in Catholic schools nationally on topics as broad as 'Contemporary Approaches to Religious Education' and 'The Effective Use of Mobile Devices to Support Learning and Teaching in Early Years Literacy'.

"The CNA is presenting exciting new opportunities for Catholic education, with Catholic school teachers around Australia working together on projects that will greatly enhance student learning."

Stephen Elder, Executive Director, Catholic Education Office Melbourne

Recipe

Aggregated Purchasing

As well as collaborating on shared services, the Education Sector has aggregated its purchasing power under the auspices of CNA to undertake the following optional procurement activities:

MICROSOFT LICENSING

An agreement was negotiated in April 2011 for special purchasing arrangements to be in place for Microsoft licensing for CNA education sector participants. The agreement sees all participants who have entered into an Enrolment for Education Solution contract with Microsoft receive the highest level of discount available for Windows operating systems, Office, CALs, Server Option and Student Option. This provides coverage for all computers for general use and also computers owned or assigned for the sole use of a student under 1:1 programs.

Aggregate savings to Participants in 2011–2012 are conservatively estimated to be of the order of $1.2m.

WEB CONTENT FILTERING

In 2011, three of the largest Catholic education networks (CEVN, CEnet and CESAnet) went to market jointly under the banner of CNA for the provision of new and enhanced Web Content Filtering solutions. The new solution has been implemented and is assisting in providing a safe online learning environment for students both inside and outside the classroom. The economies of scale represented by this joint procurement have resulted in significant volume discounts for the Participants involved.

"CNA has already provided a tremendous boost to Catholic schools across Australia, particularly through the way that it has enhanced collaboration between teachers. I thank the Bishops and Catholic Education Offices around Australia for the spirit of cooperation around this important work and look forward to the possibilities for it to benefit other Catholic agencies and parishes in the future." Archbishop Denis Hart, President, Australian Catholic Bishops Conference

CNA Participant Survey

The Board of CNA conducted a Satisfaction Survey in 2011 and in 2012 to assess CNA's performance against its strategic goals. The survey enabled Participants to rate CNA performance across a number of broad service areas:

- Telstra Services
- CNA Education Services
- CNA Management.

The Board was extremely pleased with the high completion rates for both surveys and the quality of the feedback provided.

The *CNA Satisfaction Survey* has three sections:

- Telstra Services (48 questions)
- CNA Education Services (28 questions)
- CNA Management (27 questions).

Each question is rated on a five-point scale (1 indicating low satisfaction and 5 indicating high satisfaction).

The *CNA Satisfaction Survey* was completed anonymously but each Participant was provided with the same generic name (e.g. Participant 1, Participant 2) in both 2012 and 2011 to allow comparison of ratings over the two years. The Participant was also given a location category (*Metro* or *Country*).

Table 1 (below) summarises all 21 responses to the 2012 survey. Average ratings for the three sections of the survey were all positive.

It is expected that negative ratings of components of *CNA Education Services* have already been addressed by the launch of the new *CNA Education Staff Portal*.

Table 1: 2012 CNA Satisfaction Survey: Average Responses for all CNA Participants by location type

	2012 Survey Average All Participants (N=21)	2012 Survey Average Metro Participants (N=7)	2012 Survey Average Country Participants (N=14)
Survey (Overall)	3.32	3.46	3.26
Telstra Services	3.28	3.34	3.26
CNA Education Services	3.08	3.59	2.86
CNA Management	3.62	3.57	3.65

"Teacher librarians have found the CNA visual resources invaluable as they are easy to access and relevant to their students' needs."

Virginia Preddey, St Thomas Aquinas Primary, Diocese of Wollongong

Dinosaurs
Bad Luck Duck
The Last Supper
Liana

Financial Accounts

CATHOLIC NETWORK AUSTRALIA LIMITED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2012

Notes

1. The summary of the financial statements of Catholic Network Australia Limited was extracted from the audited financial statements of 30 June 2012. These are available upon request from the Company Secretary or via a company search of ASIC.

2. The Statement of Comprehensive Income is to be read in conjunction with the notes to and forming part of the financial statements.

	Note	2012 $	2011 $
REVENUE			
Revenue from services provided	2	1,151,128	1,345,067
Other revenues		82,097	(94,031)
Total Revenue		**1,233,225**	**1,251,036**
Accounting Fees		(15,955)	(21,070)
General Expenses		(4,661)	–
Audit Fee Expense		(16,000)	(12,500)
Bank Service Charges		(189)	(268)
Books and Publications		–	(125)
CEnet Management Fees		(466,397)	(452,842)
Consultancy Expenses	3	(90,030)	(78,863)
Corporate Registrations		(7,480)	(7,512)
Insurance		(5,159)	(612)
IP Addressing		(2,382)	(2,466)
iTunes U Project		–	(12,850)
Seminars and Conferences		(398)	–
Legal Expenses		(11,250)	(10,949)
Meetings and Marketing	3	(18,709)	(6,597)
Educational Services Expenses		(512,438)	(373,125)
Printing and Reproduction		–	(494)
Rental Data Centre		(32,400)	(28,800)
Subscriptions		(10,377)	(3,717)
Telephone and Teleconferencing		(893)	(1,530)
Write-Off Capitalised Project Costs		(39,280)	–
(Deficit) / Surplus for the year		**(773)**	**236,716**
Other comprehensive income		–	–
Other comprehensive income for the year		**–**	**–**
Total comprehensive income for the year		**(773)**	**236,716**
Retained (Deficit) / Surplus of the Company		**(773)**	**236,716**

CATHOLIC NETWORK AUSTRALIA LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 $	2011 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		938,039	2,445,608
Interest received		80,745	45,969
Payments to suppliers		(1,177,310)	(1,752,096)
Net cash (used in) / generated by operating activities	13(b)	(158,526)	739,481
Net increase in cash		**(158,526)**	**739,481**
Cash and cash equivalents at the beginning of the financial year		1,997,452	1,257,971
Cash and cash equivalents at the end of the financial year	**13(a)**	**1,838,926**	**1,997,452**

Financial Accounts (continued)

CATHOLIC NETWORK AUSTRALIA LIMITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

In addition to the operation of the company itself, the CNA telecommunications contract represents substantial direct financial transactions between Participants and Telstra. The aggregate spend in the last financial year (July 2011–June 2012) across all Telstra services for all Participants were in the order of $30m. This brings the total spend on Telstra Services since the Telstra–CNA Business Services Agreement was executed in August 2009 to $81m.

	Note	2012 $	2011 $
ASSETS			
Current Assets			
Cash and cash equivalents	4	1,838,926	1,997,452
Trade receivables	5	1,938	81,742
Other current assets	6	4,093	46,837
TOTAL CURRENT ASSETS		**1,844,957**	**2,126,031**
TOTAL ASSETS		**1,844,957**	**2,126,031**
LIABILITIES			
Current Liabilities			
Trade payables	7	–	6,139
Other creditors	8	450,781	724,942
TOTAL CURRENT LIABILITIES		**450,781**	**731,081**
TOTAL LIABILITIES		**450,781**	**731,081**
NET ASSETS		**1,394,176**	**1,394,950**
EQUITY			
Members' Funds			
Retained earnings		1,394,176	1,394,949
TOTAL MEMBERS' FUNDS		**1,394,176**	**1,394,949**

Key People

OFFICE BEARERS

Chairperson: Julie-Anne Schafer
Company Secretary: Graeme Jane
Chairperson – Education Standing Committee: Stephen Elder
Chairperson – Technical Standing Committee: Francis Moore

BOARD OF DIRECTORS

Daniel Casey
Francis Xavier Moore
Julie-Anne Schafer
Peter Turner (Resigned 17 October 2011)
Stephen Noel Elder

SECRETARIAT

General Manager: Bede Ritchie
Service Delivery Manager: Chris Burrows
Technical Officer: Ian Gregory

"The CNA is a one stop shop for teachers. It provides valuable resources and support in the delivery of contemporary learning experiences and creates opportunities for teachers to collaborate both in and outside their diocese." Katelyn Williamson, St Anthony's Primary, Diocese of Wollongong

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