**CNA**
Catholic Network Australia

# ANNUAL REPORT \\ 2018–19

# Catholic Network Australia Limited

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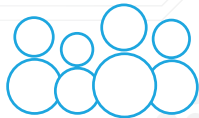
## PARTICIPANTS

The following dioceses, colleges and religious institutes are currently CNA Participants:

- Archdiocese of Adelaide
- Archdiocese of Brisbane
- Archdiocese of Hobart
- Archdiocese of Melbourne
- Archdiocese of Perth
- Archdiocese of Sydney
- Diocese of Ballarat
- Diocese of Bathurst
- Diocese of Broken Bay
- Diocese of Broome
- Diocese of Bunbury

- Diocese of Cairns
- Diocese of Geraldton
- Diocese of Maitland-Newcastle
- Diocese of Parramatta
- Diocese of Port Pirie
- Diocese of Rockhampton
- Diocese of Sale
- Diocese of Sandhurst
- Diocese of Townsville
- Diocese of Wagga Wagga
- Diocese of Wilcannia-Forbes
- St Augustine's College, Sydney
- All Hallows School, Brisbane
- Marist Brothers.

## 1,400+
**EDUCATION SITES**

## 660,000
**STUDENTS AND STAFF**

## Key activity

Since 2009, CNA has aggregated purchasing of network services and software licences to drive down costs for the Catholic education sector. CNA continues to manage the largest national private network for Catholic schools and associated administrative offices across Australia. It has also fostered collaboration, sharing approaches to support Australian Catholic educators and their communities to enhance student learning and school administration through the use of technology.

# From the Chair

It is with great pleasure that the CNA Board presents this annual report of Catholic Network Australia Limited. CNA provides services to more than 660,000 staff and students at over 1,400 Catholic schools and offices across Australia.

In 2009, CNA established a private online network. This network is still Australia's only truly national school education network with schools from Our Lady of the Sacred Heart, Thursday Island, in the north, to St Joseph's School, Wonthaggi, in the south; from St Augustine's Parish Primary School, Currumbin Waters, in the east to St Mary Star of the Sea Catholic School, Carnarvon, in the west. 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 that delivered mutually beneficial outcomes.

The agreement with Telstra to provide CNA network services was renewed in January 2015 for a further five years.

The rollout of new services with participants being able to access a unique virtual local area network (VLAN) bundled configuration for the first time was completed in 2016. This configuration enabled them to significantly increase download capacity by being able to distinguish between 'primary' or premium secure traffic and 'secondary' or non-premium regular Internet traffic. This cost-effective solution has resulted in schools doubling or even trebling the capacity of their connections. Nineteen CNA participants representing over 1,100 Catholic schools and offices use these CNA network services.

## CAPITAL WORKS COSTS AT SCHOOL SITES

In 2017, Telstra agreed to set up a CNA Installation Works and Service Fund (IWSF) to be held by Telstra. The fund is specifically intended to cover installation and relocation works, including associated professional services costs where they arise. The 2016–17 IWSF, available to CNA, was $1.284 million of which $884,000 had been used to provide installation works and other associated services. A further $440,000 had also been allocated for services to remote schools in Western Australia. In 2018–19 a further $673,000 was allocated to the fund. By the end of June 2019, $1.62 million had been utilised to assist schools and dioceses. This included $1.42 million across thirteen new schools and $141,000 for relocations at fourteen schools, two

diocesan offices and a Queensland data centre.

### STUDY TOUR 2018

A study tour took place in Sydney over two days in August 2018. Its aim was to foster greater collaboration and strategic partnerships across leaders of Catholic education.

Day one was hosted by St Luke's Catholic College in Marsden Park, Western Sydney, demonstrating how their transformation framework for 21st Century learners has been embodied at the College. This was followed by Catholic Education Western Australia's 'Leading Lights' transformation project. The day concluded with Brisbane Catholic Education's demonstration of change in the classroom and leaders through use of their Business Intelligence tool.

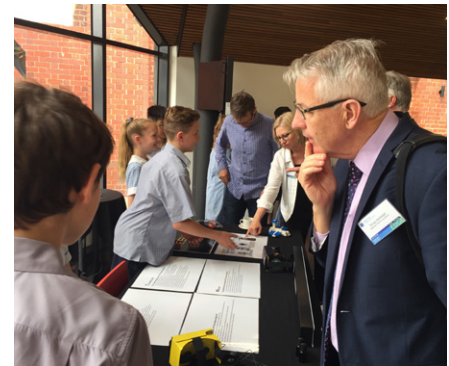Day two was facilitated by Microsoft and engaged participants in thought-provoking sessions around insights into Foundation to Year 12 education. It was structured around Microsoft's 'Transforming Education' framework and was responsive to issues, ideas and questions that arose throughout the day.

The attendance of almost 50 staff members representing 22 dioceses over the two days was pleasing. Feedback from participants was positive, with many commenting on how useful the content and structure of the tour had been.

### 2018 PARTICIPANTS FORUM

A successful CNA Participants Forum titled *At the Edge*, continuing the focus on Science, Engineering, Technology and Mathematics (STEM), was held at the Catholic Leadership Centre in Melbourne. It was attended by CNA Directors and senior staff from around Australia.

The program for the forum led with a keynote on new technologies and transforming schools. The follow-up sessions explored partnership processes

between industry and school, design-thinking, student wellbeing and digital technologies with Australian industry examples of transformative technology.

This was followed by an open session where students from four Melbourne schools demonstrated their innovative STEM projects to the attendees, while they mingled and had their morning tea. The program continued with hands-on workshops from the Digital Learning Network (DLN) dioceses including Adelaide, Broken Bay, Sydney, Melbourne, Brisbane and Toowoomba.

The presentation program finished with a keynote covering the Australian Education Technologies Trends (AETT) Report for 2018.

The forum provided directors and senior education staff with the most up-to-date information and contemporary practice on how technology can best support STEM learning in Catholic schools.

## PLANNING FOR THE FUTURE

In 2017, CNA initiated an important project designed to plan for the options available to CNA Participants at the end of the current Telstra contract in 2020. The initial phases informed Catholic education leaders of the range of current and emerging Wide Area Networking (WAN) technology options likely to be available by 2020. The subsequent phase led to a report on the options available to CNA to be ready for use across its network.

It was agreed to go to market by approaching the larger vendors. However, it was felt that increased options would be achieved by including a number of smaller players. This included aggregators capable of building the network using their own or other carriers' infrastructure. An open market Expression of Interest (EoI) was run in March. This was done to select a small number of these vendors with

the additional aim of increasing CNA's understanding of the data carriage approaches in the market.

The successful EoI vendors provided a mix of solutions utilising their own infrastructure, Telstra wholesale and National Broadband Network (NBN) Enterprise Ethernet. The outcome was that the list of vendors to be invited for the Request for Proposal (RFP) was agreed by the CNA Board as Telstra, Optus, Vocus, TPG, AARNET, Superloop, Broadband Solutions and Comcentre.

The RFP phase is expected to be in the market in late 2019.

The board is grateful to the many people who have made CNA the success it is.

Our thanks go to those who serve with dedication on board subcommittees. Those on the Education Standing Committee continue to plan the

enhancement of services delivered on the network and coordinate joint procurement activities. CNA's Negotiation Team have been very successful in working with both Telstra and Microsoft.

Delivery of Information and Communication Technology (ICT) services to Participants requires close cooperation with service partners. This includes Telstra, Catholic Education Melbourne, Brisbane Catholic Education, Catholic Education Western Australia and CEnet. We thank them for their service to Participants.

I would also like to thank my fellow directors for their contribution to this worthwhile platform.

**Peter Matthey**

# Services summary

There are 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, site connections, jurisdiction-based virtual private networks, network router monitoring and management, router lease 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). However, some services are shared across numerous or all Participants. Participants have set up infrastructure in data centres located in Perth (CEWA), Adelaide (CESA), Melbourne (CECV), Brisbane (BCE) and Sydney (CEnet) to facilitate the delivery of services to their members.

The IWSF is available to assist with Telstra charges for installation works and related services typically at new schools but it is increasingly used for moves, adds and changes for new administration buildings. These can include charges for project management, design and architecture, as well as physical trenching and fibre installation. The fund comprises contributions equal to a percentage of the amount spent by Participants above their annual minimum spend. The funds are pooled so that they can be transferred to other Participants across CNA.

## EDUCATION SERVICES

CNA's Contemporary Learning Working Group (CLWG), together with DLN, continued to operate over 2018–19. They held DLN meetings in Brisbane and Toowoomba with 17 dioceses represented at these.

The purpose of the CLWG is to provide advice to CNA on:

* initiatives to share experience, lead and support Australian Catholic educators and their communities. The purpose of this is to achieve better student learning outcomes and value for the education sector with the use of enterprise IT systems, web-based applications and resources
* opportunities to aggregate purchasing of ICT services and technologies
* identifying emerging technologies that support contemporary learning.

The purpose of the DLN is to develop and provide resources which support digital pedagogy in member dioceses. This is achieved by:

* networking
* creation and curation of resources

- the exploration of research into current and emerging agendas
- establishing a CNA DLN repository of resources for DLN members to access and use within their diocese
- supporting pedagogical change and professional learning through the use of digital technologies.

## AGGREGATED PURCHASING – MICROSOFT LICENSING

CNA completed the formal process for the three-year Microsoft (Enrolment for Education Solutions Agreement) license renewal (set to start in April 2019) in late March. There are 24 CNA Participants using this agreement. This is an increase of three dioceses relative to the previous agreement.

The new agreement includes:

- the ability to procure a blend of different levels of licenses across sites, schools and dioceses
- the addition of Minecraft Education with all standard licencing

- pricing levels and concessions (e.g. Azure commit) based on CNA participants as a collective group rather than as a group of individual entities. This has benefited members from a volume and pricing perspective, with higher tier pricing available to all due to the collective buying power of multiple CNA participants
- the ability to adjust license count annually – true up/true down relative to assumed volumes
- *'…As a Service'* options. This includes Surface as a Service, Azure as a Service and Skills as a Service specific to the Catholic sector. These are all innovative offerings that each CNA member can take advantage of, depending on their maturity and capacity now that the foundational agreement is in place.

Premier Services options have also been provided. These are unique and specific to CNA Participants.

# Financial accounts

**Notes**

1. The summary of the financial statements of Catholic Network Australia Limited was extracted from the audited 30 June 2019 financial statements. These are available upon request from the company secretary or via a company search of the Australian Charities and Not-for-profits Commission (ACNC).

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

| | Note | 2019 $ | 2018 $ |
|---|---|---|---|
| **REVENUE** | | | |
| Revenue from services provided | 2 | 701,232 | 701,667 |
| Other revenues | | 23,676 | 20,712 |
| **Total Revenue** | | **724,908** | **722,379** |
| Accounting Fees | | 45,796 | 43,614 |
| General Expenses | | 2,747 | 23,495 |
| Audit Fee Expense | | 14,450 | 15,000 |
| CE net Management Fees | | 154,452 | 153,000 |
| Corporate Registrations | | 6,953 | 6,878 |
| Seminars and Conferences | | 4,339 | 8,598 |
| Consultancy and Marketing Expenses | 3 | 331,975 | 217,205 |
| Educational Services Expenses | | 42,196 | 45,614 |
| Subscriptions | | 10,836 | 9,849 |
| **Total Expenditure** | | **613,744** | **523,253** |
| **Surplus for the year** | | **111,164** | **199,126** |
| **Total Comprehensive Income for the year** | | **111,164** | **199,126** |

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

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 2018–19 across all Telstra services for all Participants was more than $29 million.

| | Note | 2019 $ | 2018 $ |
|---|---|---|---|
| **ASSETS** | | | |
| **Current Assets** | | | |
| Cash and cash equivalents | 4 | 1,203,928 | 1,631,089 |
| Trade Receivables | 5 | 671,958 | 49,315 |
| Other current assets | 6 | 9,353 | 5,384 |
| Prepayments | 7 | 1,728 | 1,567 |
| **Total Current Assets** | | **1,886,967** | **1,687,355** |
| **Total Assets** | | **1,886,967** | **1,687,355** |
| **LIABILITIES** | | | |
| **Current Liabilities** | | | |
| Other creditors | 8 | 549,485 | 461,037 |
| **Total Current Liabilities** | | **549,485** | **461,037** |
| **Total Liabilities** | | **549,485** | **461,037** |
| **Net Assets** | | **1,337,482** | **1,226,318** |
| **EQUITY** | | | |
| **Members' Funds** | | | |
| Retained earnings | | 1,337,482 | 1,226,318 |
| **Total Members' Funds** | | **1,337,482** | **1,226,318** |

# Financial accounts (continued)

| | Retained Earnings $ | Total $ |
|---|---|---|
| **BALANCE AT 1 JULY 2017** | 1,027,192 | 1,027,192 |
| Net Surplus for the year | 199,126 | 199,126 |
| Total other comprehensive income for the year | - | - |
| **Balance at 30 June 2018** | **1,226,318** | **1,226,318** |
| **BALANCE AT 1 JULY 2018** | 1,226,318 | 1,226,318 |
| Net Surplus for the year | 111,164 | 111,164 |
| Total other comprehensive income for the year | - | - |
| **Balance at 30 June 2019** | **1,337,482** | **1,337,482** |

# Key People

## CNA DIRECTORS
Peter Matthey (CNA Board Chairperson – *appointed June 2018*)
Pamela Betts
Stephen Elder (*resigned 20 December 2018*)
Francis Moore
Neil McGoran
Debra Sayce

## CNA EDUCATION STANDING COMMITTEE
Stephen Elder (Chairperson – *resigned 20 December 2018*)
Greg Whitby (CEnet – Acting Chairperson from 21 December 2018)
Warren Armitage (BCE)
Doug Ashleigh (BCE)
Edward Simons (CEWA)
Jim Miles (CECV)
Simon Lindsay (CECV)
Ben Beaton (CEWA)
Phil Proctor (CESA)
Leesa Jeffcoat (CEnet Participant – Diocese of Rockhampton)
Robyn Finch (CEnet)
Michael Haigh (Company Secretary)

## CNA NEGOTIATING TEAM
Simon Mackey (BCE – *resigned October 2018*)
Tony Panetta (CEWA)
Warren Armitage (BCE – from October 2018)
Greg Whitby (CEnet)
Michael Haigh (Company Secretary)
Erin Burke (CECV)
Phil Proctor (CESA)

## OFFICE BEARERS
Company Secretary
Michael Haigh (*June 2018 – June 2019*)

## CEnet SERVICE DELIVERY TEAM
Chris Burrows and Garry Anderson (Service Delivery Team)
Ian Gregory (Technical Officer)

## CONTACT
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