



**CNA**  
Catholic Network Australia

# 2015–2016 ANNUAL REPORT



EDUCATION SITES

**1408**



STUDENTS AND STAFF

**600,000**

## 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 and religious institutes are currently CNA participants:

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

## 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 of 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 board presents this Annual Report of Catholic Network Australia Limited. CNA provides services to more than 600,000 students and staff at 1408 Catholic schools and offices across Australia.

In 2009, CNA established a private online network. This network is still Australia's only truly national education 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. The agreement with Telstra to provide CNA network services was renewed in January 2015 for a further five years. This year saw the completion of the rollout of new services with participants being able to access a unique VLAN bundled configuration for the first time. This configuration enabled them to significantly increase download capacity by being able to distinguish between premium secure traffic and non-premium regular internet traffic. Nineteen CNA

participants representing 1140 Catholic schools and offices use CNA network services under the new agreement.

The first price reviews under the new contract delivered even greater value to CNA participants during 2016. A 2.24% reduction applying to connection prices was implemented in June 2016 with the discount backdated to June 2015. A further discount of 4.48% was delivered in November 2016. The combined effect of these discounts has conservatively realised some \$1.4 million in savings per year to CNA participants.

The board is grateful to the many people who have made CNA the success it is, including Mr Graeme Jane for his significant contribution.

Our thanks go to those who serve with dedication on board sub-committees. Those on the Education Standing Committee continue to plan the enhancement of services delivered on the network and co-ordinate joint procurement activities. The Negotiation Team has been

very successful in negotiating with both Telstra and Microsoft.

Delivery of ICT services to participants requires close cooperation with service partners, who include Telstra, Catholic Education Melbourne, Catholic Education Office Brisbane and CEnet (Catholic Education Network: New South Wales, Queensland, NT and the ACT) and we thank them for their service to participants.

This year also saw a new *Microsoft Enrolment for Education Solutions (EES)* license agreement between CNA and Microsoft. This new agreement was attractive enough to see CNA's participant numbers increase from 19 to 28. As part of the agreement Microsoft will build a dedicated CNA portal. This work is now underway.

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

**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) while some services are shared across numerous or all participants (e.g. the Core Network). The CNA Core Network 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).

### EDUCATION SERVICES

The CNA Contemporary Learning Working Group (CLWG), together with the CNA Digital Learning Network (DLN), reconvened in 2016.

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

- initiatives to share experience, and lead and support Australian Catholic educators and their communities 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
- formal creation/curation of resources
- exploration of research into current and emerging agendas
- establishment of a CNA DLN repository of resources for members to access and use within their diocese.

## Services Summary (continued)

The DLN has identified Science, Technology, Engineering and Mathematics (STEM) in Catholic Learning Contexts as the initiative the network would like to explore and resource in particular.

### CNA FORUMS

A successful CNA Forum entitled *Schooling in an M2M (Internet of Things) World* was held at the Catholic Leadership Centre in East Melbourne. It was attended by CEO Directors and senior staff from around Australia.

The focus of the forum was Contemporary Learning, and provided directors with the most up-to-date information on how technology can best support such learning in Catholic schools.

### AGGREGATED PURCHASING – MICROSOFT LICENSING

As well as collaborating on shared services, the Catholic education sector has aggregated its purchasing power under the auspices of CNA to negotiate a special *Microsoft Enrolment for*

*Education Solutions (EES)* agreement.

The new agreement came into effect at the commencement of 2016. This agreement sees all participants receive the highest level of discount available for Microsoft products and services.

Aggregate savings to participants are conservatively estimated to be of the order of \$3 million per year.

The new agreement provides different options for Microsoft licence purchases given that participants' use of Microsoft products and services varies enormously.

As well as discount licencing, Microsoft is establishing a range of benefits exclusively for CNA participants that will include:

- invitation-only executive briefings and study tours. CNA Education Standing Committee members were addressed by Mr Anthony Sacito (Microsoft Vice President Education Worldwide) in August 2016

- monthly webinar series
- monthly technical update newsletters
- professional learning through Microsoft in Classroom training workshops
- a readiness advisory service
- CNA engagement portal
- an expert educator program.

### WEB CONTENT FILTERING

Three of the largest Catholic Education networks (CEVN, CENet and CathEdnet) have contracted to use the same enhanced Web Content Filtering solution. The solution has been implemented and assists 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.





## Financial Accounts

### STATEMENT OF COMPREHENSIVE INCOME FOR YEAR ENDED 30 JUNE 2016

#### Notes

1. The summary of the financial statements of Catholic Network Australia Limited was extracted from the audited 30 June 2016 financial statements. These are available upon request from the Company Secretary or via a company search of 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	2016 \$	2015 \$
<b>REVENUE</b>			
Revenue from services provided	2	370,060	830,629
Other revenues		39,712	9,777
<b>Total Revenue</b>		<b>409,772</b>	<b>840,405</b>
Accounting Fees		41,757	42,573
General Expenses		3,233	3,690
Audit Fee Expense		15,262	13,950
CEnet Management Fees		201,000	264,245
Corporate Registrations		6,878	7,404
Legal Expenses	3	4,435	190,064
Consultancy and Marketing Expenses	4	179,748	238,045
Educational Services Expenses		253,777	543,296
Rental Data Centre		–	7,200
Subscriptions		11,189	9,471
<b>Total Expenditure</b>		<b>717,279</b>	<b>1,319,938</b>
<b>Deficit for the year</b>		<b>(307,507)</b>	<b>(479,533)</b>
<b>Other Comprehensive Income</b>		<b>–</b>	<b>–</b>
<b>Total Comprehensive Income for the year</b>		<b>(307,507)</b>	<b>(479,533)</b>
<b>Retained Deficit of the Company</b>		<b>(307,507)</b>	<b>(479,533)</b>

**STATEMENT OF CASH FLOWS  
FOR YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers (Exclusive of GST)		384,188	819,106
Interest received		35,630	9,671
Payments to suppliers (Exclusive of GST)		(722,443)	(2,039,466)
Net cash (used in) / generated by operating activities	14(b)	(302,625)	(1,210,689)
<b>Net (decrease) / increase in cash</b>		<b>(302,625)</b>	<b>(1,210,689)</b>
Cash and cash equivalents at the beginning of the financial year		1,425,857	2,636,546
<b>Cash and cash equivalents at the end of the financial year</b>	<b>14(a)</b>	<b>1,123,232</b>	<b>1,425,857</b>

## Financial Accounts (continued)

### STATEMENT OF FINANCIAL POSITION FOR YEAR ENDED 30 JUNE 2016

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 2015 across all Telstra services for all participants was more than \$36 million.

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	1,123,232	1,425,857
Trade Receivables	6	4,946	12,634
Other current assets	7	3,593	5,953
Prepayments	8	1,960	–
<b>TOTAL CURRENT ASSETS</b>		<b>1,133,731</b>	<b>1,444,444</b>
<b>TOTAL ASSETS</b>		<b>1,133,731</b>	<b>1,444,444</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	9	209	54,282
Other creditors	10	264,084	213,217
<b>TOTAL CURRENT LIABILITIES</b>		<b>264,293</b>	<b>267,499</b>
<b>TOTAL LIABILITIES</b>		<b>264,293</b>	<b>267,499</b>
<b>NET ASSETS</b>		<b>869,438</b>	<b>1,176,945</b>
<b>EQUITY</b>			
<b>Members' Funds</b>			
Retained earnings		869,438	1,176,945
<b>TOTAL MEMBERS' FUNDS</b>		<b>869,438</b>	<b>1,176,945</b>



## Key People

### CNA DIRECTORS

Julie-Anne Schafer (CNA Board Chairperson)  
Pamela Betts  
Peter James Burke  
Stephen Elder  
Peter Matthey  
Tim McDonald  
Francis Moore  
Paul Sharkey

### CNA EDUCATION STANDING COMMITTEE

Stephen Elder (Chairperson)  
Martin Roberts (CathEdnet) *(resigned October 2016)*  
Mike Angley (CESAnet) *(resigned December 2015)*  
Greg Whitby (CEnet)  
Warren Armitage (LinCS)  
Doug Ashleigh (LinCS) *(appointed January 2016)*  
Cathy Day (Participant – Diocese of Townsville)  
Graham Neist (Catholic Religious Australia)  
Michael Haigh (NCEC ICT Committee)  
Mrs Kaye Byrne (Convenor, Contemporary Learning Working Group) *(resigned December 2015)*

### CNA NEGOTIATING TEAM

Vin McPhee (CEM), Convenor *(resigned as Convenor April 2016)*  
Simon Mackey (LinCS) *(Appointed Convenor April 2016)*  
Martin Roberts (CathEdnet) *(resigned October 2016)*  
Martin Barbary (CESAnet) *(resigned December 2015)*  
Greg Whitby (CEnet)  
Graeme Jane (Company Secretary) *(resigned April 2016)*  
Vin McPhee (Company Secretary) *(appointed April 2016)*

### OFFICE BEARERS

Company Secretary:  
Graeme Jane *(resigned April 2016)*  
Vin McPhee *(appointed April 2016)*

### SERVICE DELIVERY TEAM

Service Delivery Team – Chris Burrows and Garry Anderson  
Technical Officer – Ian Gregory

### CONTACT

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