

CATHOLIC NETWORK AUSTRALIA  
2010-2011  
ANNUAL REPORT

Education sites	1,634
Students	625,000
Staff	67,000

# Catholic Network Australia

Catholic Network Australia Ltd 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 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 Ltd includes the roll out of high-speed broadband connections to 1,634 Catholic schools and associated administrative offices. CNA services to the Catholic education sector also includes 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).

Whilst 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.

CNA leverages the very best technology to enhance the learning outcomes for all in our Australian network of Catholic schools. Through collaboration on the CNA platform students and teachers, no matter where they are located, have the same access to rich educational resources.

His Eminence, George Cardinal Pell AC,  
Archbishop of Sydney





## From the Chair

It is with great pleasure that the board presents the first Annual Report of Catholic Network Australia Limited ("CNA"). CNA's most significant achievement to date is the rollout of enhanced telecommunications services to Catholic schools 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. 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 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 go to those who serve with dedication on board sub committees. Those on the Education Standing Committee frame services delivered on the network and co-ordinate joint procurement activities. Those on the Technical Standing Committee advise in relation to technical design and service delivery. Delivery of ICT services to Participants requires close co-operation with service partners, who include Telstra, CEO Melbourne and CENet and we thank them for their service to Participants.

CNA was possible only because of the willingness of Catholic Church entities to collaborate on the delivery of shared ICT services, sometimes even when it was not in individual best interests, but was in the

interests of the broader education sector. The future challenge for Participants and for CNA is whether that community of interest, service and sometimes self sacrifice, in the interests of others, can be maintained and enhanced.

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 His Grace Archbishop Hart, for their ongoing guidance and support.

A handwritten signature in black ink, appearing to read 'Julie-Anne Schafer'. The signature is fluid and cursive, with a large initial 'J'.

Julie-Anne Schafer



Remoteness is no longer an impediment to  
equality and sound education.

Stephen Elder  
Catholic Education Melbourne



## From the Secretariat

The 2010 - 11 financial year has been one of tremendous growth for CNA with the completion of just over 1400 sites in the national rollout to schools. With such numbers, the interconnected Catholic education networks across CNA now rivals enterprise education networks across the globe in terms of scale and potential service delivery.

Given the size of the network, the availability and overall performance of the telecommunication services provided to Participants by Telstra was very high during the past year. This has translated into enhanced services for Catholic schools across the country as they provision a range of technology tools under the federal government's Digital Education Revolution.

With the rapid growth in the network in the last 12 months there has been an increased call upon the Secretariat in terms of the co-ordination of the rollout and subsequent liaison with both Telstra and Participants. We would like to thank all

Participants for their patience during the rollout and especially so as the customised, online billing processes were bedded down into their business-as-usual phase.

The Secretariat would like to thank the members of the Board for their support throughout 2010 - 11 and acknowledge the ongoing contribution and support of the data-centre managers across the country who provide the interconnection capability for the core network.

I would also like to personally thank CEnet's key operational staff- Chris Burrows (Service Delivery Manager) and Ian Gregory (Technical Officer) for the energy and commitment they bring to their work in support of Catholic Network Australia.

A handwritten signature in black ink, appearing to read 'Bede Ritchie'. The signature is fluid and cursive.

Bede Ritchie



The rollout of high-speed broadband to our schools through CNA is allowing us to implement high-definition Video Conferencing for the first time.

Michael Vineburg  
Head of Team - ICT  
Catholic Schools Office - Diocese of Wagga Wagga

## 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, 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. An interesting feature of these services is that some are discrete to a Participant (e.g. site connections) but many are shared across numerous or all Participants (e.g. the Core Network).

### Initial Services for the Education Sector

The initial Education Services include -

- CNA Education Portal and Identity Management System
- CNA Catholic Education White Pages
- CNA Contemporary Learning Resources
- CNA Models of Contemporary Learning

### Additional Education Services

The Education Sector has recently procured its new Portal, which will provide access to both existing and any new education services over time.

The Portal includes a range of additional collaboration tools including Blogs and Wikis.

This new Portal will enhance 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".

Another new education service available through CNA is the ePotential tool which is an online mechanism enabling teachers to assess their readiness to utilise ICT in the classroom.



St Irenaeus said that 'The Glory of God is human beings fully alive'. We want to offer the fullest possibilities of life - of healthcare, of welfare - to our people. Broadband will enable us to do that even better.

Archbishop Denis Hart  
Archbishop of Melbourne



## 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.

The savings to Participants in aggregate is conservatively estimated to be at least \$1.2m per year. This is the first national Microsoft agreement of its kind in the Australian education sector.

### Web Content Filtering

Three of the largest Catholic Education networks (CEVN, CEnet and CESAnet) recently agreed to go to market jointly under the banner of CNA for the provision of new and enhanced Web Content Filtering solutions. The new solution will assist 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.



The biggest impact is the speed at which we can access information... the opportunity to explore things you would only have dreamed of. There are no boundaries for the direction of learning and teaching.

Julie Swanson  
St Columba's College, Essendon



# Operations

## Network Rollout

The continued rollout of the core network for education and fibre connections to schools has been a significant project involving teams from the CNA secretariat, Participant dioceses and schools, Telstra and a raft of local sub-contractors.

Such was the success of the rollout that on the 26th August 2010 Telstra's CNA Project (Batch 1) was announced as the State Winner of the Australian Institute of Project Management's (Victorian Branch) Award in the Construction / Engineering less than \$100,000,000 category.

The establishment of the network has gained national recognition and was a focus of a national marketing campaign for Telstra.

## Delivery Profile:

- Batch 1 - 790 sites (August 2009 to March 2010) Complete
- Batch 2 – 568 sites (Cumulative 1358) (April 2010 to August 2010) Complete

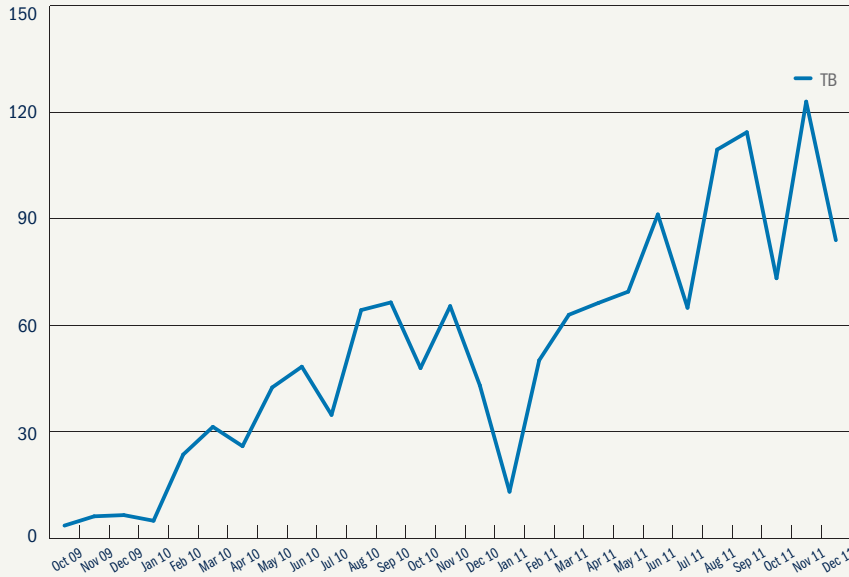


- Batch 3 – 58 sites (Cumulative 1416) (September 2010 to March 2011) Complete
- Batch 4 – 113 sites (Cumulative 1529) (April 2011 to August 2011) Complete

All Australian Catholic schools have bounded ahead and created a network, a nationally interconnected multi-medium environment, that is in effect a platform for innovation and collaboration amongst students, teachers, administrators and parents - wherever they may be, whenever they choose ... You are taking action to make your schools more innovative - and, by extension, more productive - and that's why Telstra is proud to be your partner.

David Thodey - Chief Executive Officer  
Telstra Corporation Limited

## MONTHLY INTERNET DOWNLOAD TB



### National Internet Download Trend

The graph above represents the trend in Internet Data consumption in terms of Terabytes (TBs) downloaded. This growth is not surprising given the impact of policies such as the Federal Government's Digital Education Revolution has had on school communities.

## CNA Participant Survey

The Board of CNA Ltd conducted a Satisfaction Survey in 2011 so as to enable some assessment of 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

Of a total of twenty-eight potential respondents, twenty-three Participants completed the online surveys. The Board was extremely pleased with this very high completion rate and the quality of the feedback provided.

SERVICE AREA	OVERALL LEVEL OF SATISFACTION
Telstra Services	66.2%
CNA Education Services	62.6%
CNA Management	72.2%
All Services	66.8%

# Financial Accounts

Catholic Network Australia Limited  
Statement of Comprehensive Income  
for the year ended 30 June 2011

## Notes

1.The summary of the financial statements of Catholic Network Australian Limited was extracted from the audited 30 June 2011 financial statements. These are available upon request from Bede Ritchie (General Manger - Secretariat) 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 that the comparative year 2010 covers a period of approximately 16 and half months

Catholic Network Australia Limited  
Statement of Cash Flows for the  
year ended 30 June 2011

	Financial Year 2011	12 February 2009 to 30 June 2010
<b>Revenue</b>		
Revenue from services provided	1,345,067	1,994,823
Other revenues	(94,031)	145,000
	<hr/> 1,251,036	<hr/> 2,139,823
<b>Expenses</b>		
Accounting fees	(21,070)	-
Ad hoc staffing costs	-	(51,647)
Audit fees	(12,500)	(14,500)
CENet management fees	(452,842)	(223,075)
Consultancy	(78,863)	(38,340)
Legal Services	(10,949)	(488,565)
Educational services	(373,125)	(131,696)
Rental data centre	(28,800)	(18,675)
Other expenses	(36,171)	(15,092)
	<hr/> (1,014,320)	<hr/> (981,590)
<b>Surplus for the year</b>	<hr/> 236,716	<hr/> 1,158,233
<b>Cash flows operating activities</b>		
Receipts from customers	2,544,166	1,741,709
Interest received	45,969	-
Payments to suppliers	(1,850,654)	(483,738)
Net cash provided by operating activities	<hr/> 739,481	<hr/> 1,257,971
<b>Net increase in cash</b>	739,481	1,257,971
Cash and cash equivalents at the beginning of the financial year	1,257,971	-
<b>Cash and cash equivalents at the end of the financial year</b>	<hr/> 1,997,452	<hr/> 1,257,971

# Financial Accounts

Catholic Network Australia Limited  
Statement of Financial Position  
as at 30 June 2011

## Auditor Statement

Moore Stephens Sydney has performed an independent audit on the financial report of Catholic Network Australia Limited for the year ended 30 June 2011, to which an unqualified opinion was issued by us. The summary "Statement of Comprehensive Income", "Statement of Cash Flows" and "Statement of Financial Position" were extracted from the audited financial statements. To the extent permitted by law, we do not accept liability for any loss or damage which any person may suffer arising from any negligence on our part. No person should rely on the summary financial statements set out above without having an audit of review conducted.

Moore Stephens Sydney  
Chartered Accountants  
Martin J. (Joe) Shannon  
Partner

	As at 30 June 2011	As at 30 June 2010
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	1,997,452	1,257,971
Trade receivables	81,742	1,283,901
Other current assets	46,837	931
<b>Total current assets</b>	<u>2,126,031</u>	<u>2,542,803</u>
<b>Total assets</b>	<u>2,126,031</u>	<u>2,542,803</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade payables	6,140	699,229
Other creditors	724,942	685,341
<b>Total current liabilities</b>	<u>731,082</u>	<u>1,384,570</u>
<b>Total liabilities</b>	<u>731,082</u>	<u>1,384,570</u>
<b>Net assets</b>	<u>1,394,949</u>	<u>1,158,233</u>
<b>Equity</b>		
<b>Members' funds</b>		
Retained earnings	1,394,949	1,158,233
<b>Total Members' funds</b>	<u>1,394,949</u>	<u>1,158,233</u>

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 2010-June 2011) across all Telstra services for all Participants were in the order of \$33,582,102. This brings the total spend on Telstra Services since the incorporation of the company (February 2009) to \$50,511,790.

# 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 (appointed 1 November 2010)

Peter Turner (appointed 1 November 2010)

Stephen Noel Elder

Fr Brian Joseph Lucas (resigned 6 December 2010)

Gabrielle Trainor (resigned 1 April 2011)

Julie Pascoe (resigned 1 March 2011)

## Secretariat

General Manager - Bede Ritchie

Service Delivery Manager - Chris Burrows

Technical Officer - Ian Gregory

Today's classrooms are being transformed. The power of the Internet opens up endless opportunities for research, instruction and collaboration with students being able to access digital content and applications that did not exist five years ago. The high-speed CNA connection at our school has been essential in the delivery of the Digital Education Revolution program.

David McNeale

Principal

Ryan Catholic College, Townsville



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