



# ANNUAL REPORT 2023



Catholic  
Health  
Australia

[cha.org.au](http://cha.org.au)



## ACKNOWLEDGEMENT OF COUNTRY

Catholic Health Australia acknowledges and pays respect to the past, present and emerging Traditional Custodians and Elders of this nation and the continuation of cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander peoples.



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Catholic Health Australia is the largest non-government provider grouping of health, community and aged care services in Australia, nationally representing Catholic health care sponsors, systems, facilities and related organisations and services. Our health and aged care services are operated in the fulfilment of the mission of the Church to provide care and healing to all those who seek it. Catholic Health Australia is the peak member organisation of these health and aged care services.

Further detail on Catholic Health Australia can be obtained at [www.cha.org.au](http://www.cha.org.au)

**Images:** CHA thanks our members at Mercy, Mater, St John of God Health Care, Calvary and VMCH for supplying images for our report.

**Front cover:** Nursing staff at Mater Private Hospital Rockhampton.





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The Hon. John Watkins AM, Chair and Adj.  
Prof. Pat Garcia Chief Executive Officer

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# message

The past year has posed significant challenges for our ministry, prompting us to recognise that we must shift our focus away from the pre-COVID era and its benchmarks. The landscape has fundamentally changed, marked by scarce labour markets, pronounced cost inflation, fiscal complexities, and disruptive operational paradigms. In light of these shifts, our leadership must envision a new direction for our ministry.

In response to an invitation extended by Paul McClintock at the CHA Conference in Brisbane last year, our prominent healthcare providers engaged in a rigorous discernment process. This process was skilfully guided by Br Ian Cribb, Prof Dermot Nestor, and McKinsey's Damien Bruce. These continuing dialogues are poised to shed light on the potential contours of the future and how we can best fulfil our healing mission.

We were heartened by the Fair Work Commission's decision to enhance compensation and conditions for those in the aged care sector. This recognition aptly acknowledges their invaluable contributions. Catholic Health Australia has persistently advocated for improved compensation and conditions within aged care, and we are optimistic that this marks a pivotal turning point.

Through collaboration with Evaluate, CHA has undertaken a data initiative in partnership with our members to comprehensively capture national hospital activity. The objective of this project is to bolster CHA's evidence-based advocacy by supplying intricate insights into the services rendered across regions. Through benchmarking, we aim to leverage data to enhance the care we provide in alignment with the unique needs of the communities we serve.

A significant milestone this year was the inclusion of Uniting Care Queensland as a CHA member. This expansion not only augments our hospital network to 82, but more importantly, heralds a blossoming ecumenical approach to healthcare. A diverse array of Christian providers is united in the healing ministry of Christ, amplifying our collective advocacy for improved health outcomes for all Australians.

Further, our sector's contributions at the successful Job and Skills Summit, culminated in a shared vision for aged care, increased skilled migration opportunities, enhanced visa processing, and a review of AHPRA's procedures for recognising the clinical skills of migrating healthcare professionals. These reforms will be instrumental in addressing workforce shortages and furthering our mission to elevate compensation, training, and recruitment standards.

This year carries particular significance as it heralds our final year leading CHA. Our tenure coincided with the release of, and subsequent public discourse around the Aged Care Royal Commission's findings as well as the disruptive COVID pandemic.



In response to the Commission's recommendations, CHA spearheaded sector-wide advocacy for government reform, reshaping discussions about aged care funding. Our persistent advocacy for user contributions is looking to yield results through the Aged Care Taskforce. Amid the COVID-19 crisis, CHA secured vital funding for hospitals, ensuring uninterrupted essential services. We have also been vocal about vaccination and expressed gratitude for our tireless healthcare workforce.

Over the past five years, CHA's strategic plan sought to do a range of things but in particular: position CHA as a potent advocate for the sector, and foster collaboration within the sector. We extend gratitude to the CHA Board and dedicated staff who have diligently transformed this vision into reality.

Founded in the teachings of Jesus, our ministry continues to offer hope and solace to the vulnerable and marginalised around Australia. The sector's unwavering commitment to its mission propels our determination to relentlessly pursue the best possible outcomes for those under our care.

**Hon John Watkins AM**  
Chair

**Pat Garcia**  
CEO

# At a *glance*



**19**

Public hospitals



**63**

Private hospitals



**48,500+**

Births



**628,500+**

ER presentations



**12,300+**

Hospital beds



**1.4 million+**

Episodes  
of care



**25,000+**

Home support  
consumers



**28,000+**

Home care  
package  
consumers



**27,000+**

Residential aged  
care beds



**7,000+**

Independent  
living units



**350**

Aged care facilities



**100+**

Social outreach  
programs



**\$66m+**

Community  
benefits delivered



of chemotherapy  
nationally



of knee  
replacements  
nationally



of caesarean births  
nationally





# A view from *health*

The environment CHA member hospitals are operating within is challenging across the board, with tight labour markets, escalating health inflation unmatched by increased funding, and the impact of COVID-19 continuing to be felt with sicker patients presenting to hospital and staying longer once there. Within this context, the work CHA does is as important as ever.

Throughout the year, CHA has worked independently and in collaboration to support our members by both defending financial viability in the immediate term and in parallel, working towards longer term reforms to ensure a robust, fit for purpose and sustainable health system for the future.

CHA completed its Health Operational Plan, outlining CHA's advocacy agenda for the next two years. The plan is the result of extensive consultation across the membership including with Board Members, CEOs and strategic thinkers from across the membership and beyond. The plan includes four focus areas:

- Private health insurance
- Financial sustainability and structural reform
- Workforce
- Further advocacy, collaboration and policy

## Private health insurance

CHA is closely involved with each of the multiple reviews underway into various elements of private health insurance regulation. We have outlined a patient-centric and principles-based approach to reform, that considers in equal weighting the scope and depth of consumers' access to private health services, the contribution of this care to health outcomes and experience, and its financial cost.

Ongoing reforms to medical device regulation and funding remain a high priority for CHA, with various consultations on this topic regularly punctuating the year. The considerable work CHA, members and others continue to collectively invest in these reforms have successfully culminated in a further delay to the implementation of a subset of the reforms that risked patient access to care and hospital sustainability.

CHA continues to work with a diverse range of stakeholders across the private health sector to ensure this component of the reform is pragmatic, and most importantly protects patient access, clinician autonomy, affordability and service viability.

The full suite of medical device reforms are scheduled to continue until 2025, and to date have already delivered significant savings to consumers.

CHA has been closely involved in the review of default benefit arrangements, engaging widely and regularly. Our key messages that default benefit arrangements are a consumer safety net enabling accessibility and choice in the receipt of private health services, and that default benefits must be extended to cover out of hospital services provided by or on behalf of private hospitals have both gained traction, making their way into EY's interim report back to industry, and generating external attention. CHA continues to use this platform to prosecute the case for widespread funding of out of hospital services.



As CHA member hospitals continue to struggle with COVID-induced and other hardships, it is critical we can feed into the process that heavily influences the level of funding available to private hospitals. CHA successfully made two formal submissions to the Department's Premium Round (the mechanism by which the Health Minister determines the permitted increase to health insurance premiums for the next year). CHA understands this is the first time a group outside of health insurance has been asked to contribute.

## Financial sustainability and structural reform

CHA partnered with other leading private hospital groups to co-develop an options paper exploring alternative funding structures for the private health sector. Led by James Downie, former CEO of the Independent Health and Aged Care Pricing Authority, the paper explores how private health funding arrangements could be reformed to address inadequate funding flowing to private hospital operators, to eliminate countless inefficiencies across stakeholder groups and to provide a foundation for further structural reform. Stakeholders across the sector were consulted extensively during the development of reform options. The final paper is due to be published and launched soon.

CHA made a submission to the National Health Reform Agreement (NHRA) mid-cycle review, focusing on the ways in which the NHRA could be leveraged to improve national health workforce planning, improve health outcomes and manage costs through engagement with primary care, while supporting best practice care delivery through innovative and flexible care settings.

## Workforce

Challenges in recruiting and retaining healthcare workers remain a key issue for CHA member hospitals nationally. The priority recommendations of CHA's submission to the 2023–24 Commonwealth Budget process were focused on proposals to aid chronic workforce shortages. CHA has advocated for changes to visa processing times, cost and process; for the reconstitution of Health Workforce Australia; has proposed subsidised housing for nurses, a health and care worker passport that centralises and aligns health worker checks across the sector; and for various other levers to assist in the retention and attraction of healthcare workers.

CHA's advocacy in this space led to an invitation to both the pre-Jobs and Skills Summit Health Roundtable, and the Jobs and Skills Summit proper.

## Further advocacy, collaboration and policy

The privacy threats posed to consumers by the increasing number of cyber security breaches nationally and globally meant the timing was right to re-evaluate the way in which personal and health information collected by health service providers and funders is collected, stored, used and shared with third parties. CHA assembled a working group of experts from across the membership to pre-emptively examine short to long term options to improve data security across the sector. The working group continues its work, and CHA is engaging with the wider sector for comment and collaboration.

Relatedly, CHA has consistently worked with the Department of Home Affairs on the rollout and implementation of the Security Legislation Amendment (Critical Infrastructure Protection) Act 2022. Rules under the Act came into effect in February 2023, and are intended to safeguard critical hospitals from physical and cyber security challenges. In its originally proposed format, CHA considered the Act would have impacted some hospitals unnecessarily and imposed unreasonably high costs. As a result of CHA's advocacy, the number of hospitals impacted by the Act has been reduced to ensure the Rules are appropriately targeted, and the risk mitigations required are focused on the pragmatic considerations of running a hospital.

In June, CHA convened a roundtable of experts from across the private hospital sector to come together to discuss the management of planned surgery and make a submission to the NSW Health Surgical Care Governance Taskforce. The submission considers how public and private hospitals could best partner to deliver planned surgeries.

On the research front, CHA has worked in partnership with Caritas, Catholic Social Services and the Australian Catholic University to help address domestic violence through a paper titled 'Understanding the unique contribution of Catholic Agencies to the Prevention and Response to Family Violence'.

Over the year ahead, CHA will continue to stimulate thinking, promote discussion, and influence progress on creating a viable and robust healthcare system for the future.

**Caitlin O'Dea**

Director Health & Finance





A YEAR IN REVIEW

# *aged care*

The 2022-23 year has been a mixed bag for the aged care sector as our not for profit members have continued another year of unrelenting reform and a transition to COVID-19 as the new normal.



A newly elected federal government tried to set the aged care agenda in 2022-23 by introducing its aged care election commitments as its very first Act in Parliament.

Throughout the year, the Government and Minister for Aged Care, Anika Wells, moved at pace to run up the score on implementing the recommendations of the Royal Commission into Aged Care Quality and Safety, boasting that 69 recommendations have been addressed with another 45 expected to be ticked off once the new Aged Care Act and Support at Home program are released.

On an extremely positive note, the 2023-4 Federal Budget contained an additional \$11.3bn to fund the Government's election commitment to fund the outcome of the Fair Work Commission's 15 per cent pay rise for aged care workers from 1 July 2023. The Budget decision gave more than thanks, leaving over 250,000 aged care workers feeling valued and respected, and delivering a much-deserved pay rise. At the time CHA congratulated the Government on this major step to improve our ability to attract and retain our aged care staff.



There are some questions still surrounding the implementation of this commitment, but it is noteworthy that this was the first time that the Government received advice from the new Independent Health and Aged Care Pricing Authority (IHACPA) as a formal part of its Budget process. Michael Pervan, the Chief Executive of IHACPA, addressed the 2023 CHA National Conference in Perth, where he discussed some of the foundational elements that drive their work.

Some of the other major reforms to land in the last year include the introduction of AN-ACC funding model on 1 October, 24/7 Registered Nurse coverage, a long overdue review into the capability of the Aged Care Quality and Safety Commission (ACQSC), and the creation of the Inspector General of Aged Care.

The many significant changes in aged care regulation and funding have all placed additional pressure on management, Boards and staff already weary from COVID-19 and the pressures of a chronic workforce shortages.

## Financial sustainability still over the horizon

In amongst this changing environment one of the biggest concerns for providers continues to be securing financial sustainability. With over 60 per cent of all aged care facilities running at a loss, the ability to improve models of care and maintain facilities is threatened.

CHA has been pressing for reform and has publicly led the debate to substantially change the funding model for aged care.

In June, Minister Wells announced that she would Chair an Aged Care Taskforce made up of a small group of experts. CHA is directly represented through our Chair John Watkins and CEO Pat Garcia. The Taskforce has been set bold milestones. By December it will report its findings to the Government ahead of planning for the 2024/2025 Federal Budget.

It is a critical policy area to get right, and CHA continues to lead the way.

## More challenges and reform ahead

The delivery of a new Support at Home program, bringing together the Commonwealth Home Support Program, Home Care, Short-term Restorative Care and residential respite, is a priority identified by the Royal Commission and the Government. The new program will aim to deliver less complex, more accessible services better tailored to need.

Originally due to commence on 1 July 2024, the reforms have been paused until 1 July 2025 in response to provider requests for co-design and consultation.

CHA welcomes this opportunity to co-design the program with government and consumers. The extra year will be critical to ensure that the new system would provide quality, sustainable services that support people to remain in their own home for longer. To coordinate this work CHA is forming a member Support at Home working group.

Regional aged care services continued to be an area of concern throughout the year, recognising the cost premium for delivering services outside of metropolitan areas. CHA and members from Southern Cross Care (Broken Hill) and Southern Cross Care (Qld) attended the LNP's Regional Aged Care Summit in Mildura. It was encouraging to have direct engagement with the Opposition on this important policy area with policy experts from across regional Australia.

We are working with members on a range of initiatives to improve sustainability and care in our regions, including investigating the appropriateness of existing funding models in offsetting the issues of remoteness.



## Maintaining our focus through a CHA aged care operational plan

To help us cut through the “noise” of constant reform and ensure that Catholic Health Australia stays focussed on what we feel is important rather than what is simply urgent, an Aged Care Operational Plan was developed in consultation with members.

The Operational Plan outlines the role of CHA and our priorities to support a stronger, more human-centred, aged care sector with four focus areas: our general advocacy and policy development; workforce advocacy; to lead on financial sustainability, including structural reform; and to foster collaboration between members – leveraging the strength of the Catholic sector to support all members to better meet the challenges of reform, increased customer expectations and new technologies.



## Positive depictions of aged care

One of the challenges facing age care today is the constant negativity in media coverage yet we know that aged care is a positive space for most people. This includes supporting a person to live at home, providing quality retirement living options, and supporting dignity for those who need residential aged care. This is why it is increasingly important that we do try and get the positive stories out on whatever channel we can.

CHA members have (of course) been leading on this. For example:

**Southern Cross Care (SA, NT & Vic)** have run the “Be the Difference” campaign, stating that “... We are looking for compassionate people to be the difference”

**St Vincent's Health** have a new online marketing campaign “Celebrating You”. This campaign is deliberately crafted to bring about a shift in community perception of aged care and to bridge the emotional gap that many of St Vincent's key decision-makers and potential residents feel when choosing an aged care home

Inspirational stories told by patients, residents, clients and staff are at the heart of **Calvary Health Care's** new national brand campaign. The creative concept showcases real customers, staff and locations attached to emotional “If” statements demonstrating the healthcare provider's mission of “Being for Others”.



## CHA webinar series: Expert Perspectives on Palliative Care and End-of-Life Support

CHA has begun hosting a webinar series for members featuring expert speakers who will discuss various aspects of palliative care delivery, the impact of ELDAC (End of Life Direction for Aged Care) and improving end-of-life care in different settings. It is important that Catholic organisations can demonstrate the proven, compassionate, alternatives to voluntary assisted dying to lawmakers and the wider community.

The webinar series runs until November 2023 and is already receiving more than 200 registrations for each event. Speakers to date include Meera Agar, Professor of Palliative Medicine, University of Technology Sydney; Naomi Lewis, Clinical Manager and ELDAC co-ordinator at VMCH; and Associate Professor Natasha Michael, Palliative Care Physician at Cabrini.

CHA looks forward to partnering with our members and the government to roll out further reforms to lift the quality of age care in Australia and improve the sector's sustainability for generations to come.



**Jason Kara**  
Director Aged Care









A YEAR IN REVIEW

# *mission*

The 2022-23 year has seen the continuation and expansion of Catholic Health Australia's commitment to its Catholic Mission, grounded in the strategic vision of our Mission Operational Plan. Throughout this period, CHA has continued to deliver a body of work that aligns with our core vocation of administering the healing ministry of Christ.



Supported in full by the work of a growing number of CHA committees operating in this space, CHA's work in 2022-23 has been elevated through the Mission and Identity Committee as well as the more recently formed Social Justice Committee, and the formation of additional support groups to act in an advisory capacity. This has enabled CHA to grow the organisation's involvement across a broader range of areas that are core to our mission which has deepened our mission focus.

The formation of CHA's Laudato Si Committee has opened up our ability to contribute meaningfully to a significant moral, environmental and social challenge of our times, harnessing the knowledge and work of our members in order to support each other in responding to the papal encyclical.



Acknowledging that members are at various stages of their development and activity, the group helps support each other in understanding where we are as a sector now, and where we need to be to reduce harmful emissions. Providing much needed consensus and expertise for CHA, committee members have developed responses and submission to the evolving federal Climate Health Strategy, as well as investigating the broader Laudato Si Action Platform of the Church.

Furthermore, the establishment of CHA's Reconciliation Action Plan Working Group has been key to establishing a program of work that will see CHA place further attention on our responsibilities towards acknowledging and celebrating the contribution of Aboriginal and Torres Strait Islander peoples, while pushing for more internal progress in 2022-23. With the assistance of this group, CHA plans to publish its first Reconciliation Action Plan next financial year.

CHA has also welcomed the expertise of sub-committees focused on prisoners and mental health, reporting into the work of the Mission and Identity

Committee as well as the Social Justice Committee. These groups have explored and formed scopes for further work for CHA in these important spaces.

CHA continues its advocacy for a culture of life, despite the passing of new VAD laws in all states nationally with Tasmania and QLD commencing implementation in the 2022-23 financial year. CHA worked with health departments to highlight our concerns and work through the issues with respective health leads. This included educating clinical leads on our ethical response to VAD in QLD and NSW, providing a thorough explanation of legislative parameters to our members and discussing Catholic ethics in relation to end of life care.

Realtime online resource sharing continues to grow through the development of documents and information papers, and ongoing access to CHA's Decoding the Code Course which is run regularly with BBI Theological College covering the broader landscape of Catholic ethics of healthcare.

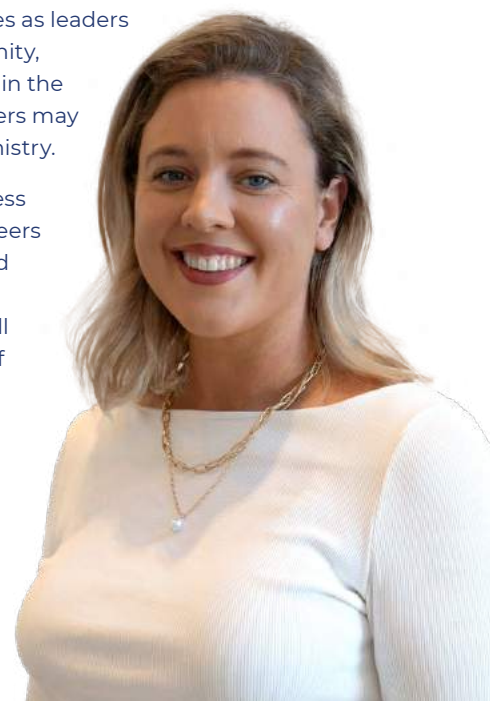
CHA also continues to support the review of the Catholic Code of Ethics, supporting our Catholic ethicists through retreats and administrative support to provide a fit-for-purpose document that reiterates and reflects our Catholic ethics considering contemporary challenges. The steering committee to oversee the Review Committee will meet again to review a draft once finalised. This includes a renewed approach to the delivery of our education around the Catholic Code of Ethics into the future through the provision of a modularised course in partnership with the University of Notre Dame Australia.

Throughout 2022-2023, CHA has worked to amplify our Mission focus through advocacy and media. This includes submissions to parliament on issues such as modern slavery, and publishing articles related to prisoner experiences, end of life care, the contribution of women to the health care sector, and the needs of the vulnerable. Importantly, we continue to recognise our responsibilities as leaders within the Catholic community, promoting our mission within the Catholic media whose readers may seek guidance from our ministry.

CHA owes much of its success to the members and volunteers who lend their expertise and valuable time to ensure we are focused at all times, in all we do, on the importance of delivering our mission.

### **Brigid Meney**

Director Strategy & Mission



## COMMUNICATIONS &

# media

For the first year since 2020, the pandemic did not dominate CHA's media coverage. Instead, the big issue was aged care reform and, to a lesser extent, general reform across the health sector.

With a fresh federal government pushing a suite of aged care reform, Catholic Health Australia was in the thick of the public discussion. Our longstanding advocacy for user contributions to make up a greater share of aged care funding took on new momentum in the public debate after the government announced the formation of an Aged Care Taskforce. The Taskforce was convened to generate advice and options on how the nation can afford key reforms recommended by the Aged Care Royal Commission. Catholic Health Australia was invited to participate in the Taskforce and several media reports have suggested increased user contributions are likely to be recommended.

Also in aged care, the Fair Work Commission's decision to boost the base rate of pay for thousands of workers in the sector garnered significant media coverage, of which CHA claimed a strong share of voice. We were proactive in articulating our members' intention to immediately pass on, in full, the increased public funding to staff.

Within hospital policy, CHA continued to advocate strongly in the media for progress on out of hospital (OOH) care, an area in which we have pointed out that Australia is lagging. We also received significant coverage on our calls for reform in the private health insurance space, including calling for an independent panel to decide insurance premium rises and publicly seeking a workable resolution to the prostheses funding question.

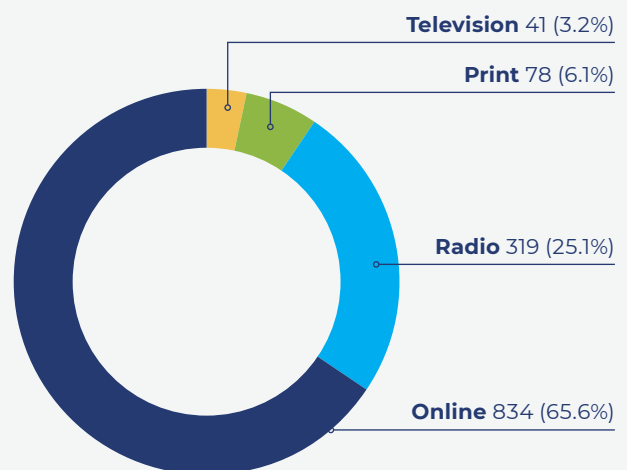
### Adrian Kerr

Director Communications,  
Media & Governance

## Results

In the financial year 2022-23, Catholic Health Australia recorded 1,272 mentions across mainstream, religious and trade media, with 58.6 million potential cumulative views, up from 278 mentions the previous year.

A total of 834 (65.6%) of these mentions were online, 319 (25.1%) were radio, 78 (6.1%) were print and 41 (3.2%) were TV. This includes 38 articles in The Australian, up from 24 the previous year, and seven articles in The Australian Financial Review, up from five the previous year.



Some of the highlights are outlined on the following page.

## IN THE NEWS...

In **September** 2022, CHA received wide media coverage across metro and regional titles during the federal government's jobs and skills summit when we released a study finding there were almost 60,000 vacancies in the aged care sector as we called for skilled migration reform. Later that month CHA received coverage as we warned about upcoming prostheses list changes, with Health Director Caitlin O'Dea conducting an interview with the ABC.

In **October** CHA placed a story with NewsCorp about our submission to the federal government's review of default benefits, in which we warned patients may typically pay at least \$437 a day more for hospital surgery if the benefits are scrapped or weakened. We also achieved coverage on the ABC AM program, with Caitlin O'Dea calling for default benefits to be extended to out of hospital care.

Also in **October** we placed two stories with The Australian, one about our analysis which showed private health insurance funds collectively poured an extra \$389m into management expenses compared with 2019, and another about insurance firms accumulating cash.

In **November** we placed another story with the ABC on prostheses and another with The Australian on health insurance firms failing to return 90% of premiums to members. This was also covered by radio stations including 2GB and 3AW.

In **December** we placed a story in the Australian Financial Review, calling for an independent panel to decide insurance premium rises. NIB backed our call.

### Tired nurses in bid to cut the commute



Nurse Melia Mahe is forced into a long and expensive commute from her western Sydney home to her work at St Vincent's Hospital in Darlinghurst.

#### EXCLUSIVE

JESS MALCOLM

Australian leading private hospital and aged care provider is calling on labor to re-establish targeted accommodation for nurses close to where they work in a bid to alleviate shortages and help hospitals retain staff.

Catholic Health Australia has warned nurses across the country are cutting their hours or choosing to leave the profession early after being worn down by punishing long car

wildforce shortages in the health-care system with nurses unable to afford accommodation close to work, with hospitals often in suburbs where affordable housing or rental properties are unavailable. In a pre-budget submission to the federal government, CHA has also called on the federal government to subsidise rental for nurses by exempting their rental expenses from salary packaging caps up to a certain limit and only for properties close to work.

Currently under government rules, nurses working in the not-for-profit and charity sector can

CHA director of health policy Caitlin O'Dea said helping nurses live near work could play a vital role in retaining staff.

"The lack of affordable housing near metro hospitals is posing a serious challenge at a time when hospitals are already short-staffed. On any given day around one in 10 nurses are not at work because of burnout or illness," Ms O'Dea said.

"Subsidising nurses' rents is a sensible step that would show

exhausted from their commute. The senior nurse makes at least \$100,000 a year and is expected to travel across town from western Sydney to St Vincent's Hospital in inner-east Darlinghurst.

Ms Mahe said she pays \$750 in tolls every three months and \$600 a week on petrol.

"I really enjoy the unit I'm working in and feel like there is a lot of career progression but I am looking at other hospitals," she said.

"If inflation stays as high as it is I think I will have to make a per-

manent decision. This market so I need to keep saving."

In its pre-budget submission, CHA said nurses have "suffered at the cauldron of Covid-19 prevention and treatment" and should be supported.

It said dedicated "nurses homes" had successfully helped build resilience and support networks among staff in addition to employment and financial benefits. "Resilience and human factors remain prevalent in this workforce with solutions requiring a multidisciplinary approach - housing considerations is one step

### Call for wealthy to pay more for care

#### EXCLUSIVE

STEPHEN LUNN  
SOCIAL AFFAIRS EDITOR

Wealthier nursing home residents should be charged more for day-to-day food and services than the current daily fee cap allows to help save a sector in significant financial peril, a growing number of aged care providers say.

Providers representing about 20 per cent of the nation's aged care beds say the \$58.98 a day fee cap, the maximum they can claim for a resident regardless of that person's wealth or whether they are a self-funded retiree, is inadequate to cover the costs of day-to-day services such as meals, cleaning, laundry, heating and cooling.

Catholic Health Australia, Opal Healthcare, Anglicare, and Southern Cross Care (Qld) say costs for those items have risen sharply since the Covid-19 pandemic, leaving many providers operating at a loss.

The operators say the Basic Daily Fee cap, set at 85 per cent of a single person's basic pension, should be removed for self-funded retirees, but kept in place for aged pensioners.

"Aged care providers are facing soaring costs but simply cannot meet them with this out-of-date fee cap in place," Catholic Health Australia chief executive

cial crisis in Australian nursing homes - 66 per cent of private providers currently operate at a loss, with facilities losing an average of \$28 per resident each day. Aged care is one of the federal government's largest spending programs, with \$27bn budgeted for in-home and residential care this financial year, rising to almost \$35bn by 2025-26.

The federal government is responsible for funding aged care, and how it manages the sector's parlous financial situation will be closely watched in the upcoming budget.

Tom Symondson, chief executive of Aged and Community Care Providers Association, the peak body representing providers, said the current financial state of the sector made it important to open up a "national conversation" about aged care funding sources, including consumer contributions.

"We believe every option should be on the table as part of these discussions. We need to consider asking those who have the means to pay more for their care. It is only fair," Mr Symondson said.

Council on the Ageing chief executive Patricia Sparrow said "any conversation on the way aged care is paid for needs to look at the system as a whole and ensure that consumer protections aren't eroded".

"All aged care residents re-

#### NEWS

### Catholic Health Australia and private insurers in funding stalemate over hospitals' surgical items

ABC Ballarat / By Lexie Jeuniewick

Posted Tue 20 Sep 2022 at 2:37pm



Catholic Health Australia represents hospitals across the country, including St John of God Bendigo Hospital. (ABC News: Beth Gibson)

#### Opinion

### To make care homes affordable, the house has to go

The Albanese government must recognise that selling the family home is the lesser evil if its aged care ambitions are to be achieved.

Pat Garcia, CEO of Catholic Health Australia





## IN THE NEWS...

### Call for wealthy to pay more for care

EXCLUSIVE

STEPHEN LUNN  
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Catholic Health Australia, Opal Healthcare, Anglicare, and Southern Cross Care (Qld) say costs for those items have risen sharply since the Covid-19 pandemic, leaving many providers operating at a loss.

The operators say the Basic Daily Fee cap, set at 85 per cent of a single person's basic pension, should be removed for self-funded retirees, but kept in place for aged pensioners.

"Aged care providers are facing soaring costs but simply cannot meet them with this out-of-date fee cap in place," Catholic Health Australia chief executive Pat Garcia, who first called for the change in a pre-budget submission in February, said.

Opal Healthcare chief executive Rachel Argaman has joined the push, saying with the current population of people aged 85 and over projected to grow from 534,000 in 2021 to 1.28 million by 2041, an increase of more than 140 per cent, "we need to find a way to augment existing funding".

"Taxpayers already provide 75 per cent of costs through government funding," Ms Argaman said.

"To maintain a quality aged care system that can properly look after everyone, including those who can least afford it, it makes sense to ask those who can afford it to contribute more for their care."

The call comes amid a finan-

cial crisis in Australian nursing homes – 66 per cent of private providers currently operate at a loss, with facilities losing an average of \$28 per resident each day.

Aged care is one of the federal government's largest spending programs, with \$27bn budgeted for in-home and residential care this financial year, rising to almost \$35bn by 2025-26.

The federal government is responsible for funding aged care, and how it manages the sector's parlous financial situation will be closely watched in the upcoming budget.

Tom Symondson, chief executive of Aged and Community Care Providers Association, the peak body representing providers, said the current financial state of the sector made it important to open up a "national conversation" about aged care funding sources, including consumer contributions.

"We believe every option should be on the table as part of these discussions. We need to consider asking those who have the means to pay more for their care. It is only fair," Mr Symondson said.

Council on the Ageing chief executive Patricia Sparrow said "any conversation on the way aged care is paid for needs to look at the system as a whole and ensure that consumer protections aren't eroded".

"All aged care residents regardless of the ability to pay need a minimum aged care guarantee so we don't end up with a 'have' and 'have-nots' system," Ms Sparrow said.

The Basic Daily Fee cap was introduced in the 1980s to reduce the incentive for nursing homes to admit people who could have been cared for in hostels.

"Meeting all the costs of meals, cleaning, maintenance, laundry and other day-to-day services for less than \$59 per day is almost impossible and most providers around Australia are losing money in trying to meet these costs under the current cap," Anglicare chief executive Simon Millers said.

"We believe the safety net should stay in place for those who need it to ensure every Australian has access to dignified aged care."

### Health insurers failing to hit target

EXCLUSIVE

By JESS MALCOLM  
REPORTER  
Follow @jessmalcolm

10:51PM NOVEMBER 21, 2022 • 67 COMMENTS

Major private health insurers are failing to meet a gold standard target of returning 90 per cent of premiums to their members, crack down on the sector and force a services.

Analysis of Australian Prudential Regulation including NIB, Bupa and Medibank as customers, with NIB returning just 75 other large funds, Bupa returned 82 p

The research, conducted by Catholic Health Australia as a whole returned 83 per cent of past financial year, meaning a total of and profits instead of patients.

Australian Medical Association president establish a regulatory authority to oversee that taxpayer funding was being miss

### Aged care providers want to band together for Pacific workforce



Angus Thompson  
February 15, 2023 – 2:07pm

A network of aged-care providers wants the power to band together to hire Pacific Island nationals to fill gaping staff shortages in parts of Australia as the government looks to regional neighbours to bolster demand across the sector.

Catholic Health Australia wants aged-care homes to be able to use industry-wide sponsorship to boost labour from countries such as Samoa, Vanuatu and Tonga to plug the nation's workforce shortage, arguing migrants' ability to switch employers would decrease overheads and exploitation.

### Aged care funding to save homes from going under, provider says

By STEPHEN LUNN  
SOCIAL AFFAIRS EDITOR  
Follow @lunn

5:57PM MAY 4, 2023 • 39 COMMENTS

New aged care funding supporting 15 per cent higher wages for 250,000 care staff was a "game changer" for the sector and would likely keep sinking nursing homes afloat, a key provider voice has said.

Catholic Health Australia chief executive Pat Garcia said the government's \$11.3bn additional funding announcement for aged care over the next four years was "a lifeline being thrown to a drowning sector."

"A number of aged care providers I spoke to today are reassessing the once questionable viability of facilities in light of the new numbers," Mr Garcia said.

Under the new AN-ACC funding model being rolled out in aged care, government support to providers will increase nearly 18 per cent from \$206.80 to \$243.10 per resident per day, which includes the 15 per cent pay rise for workers.

Catholic Health Australia chief executive Pat Garcia said the funding increase was "a game changer for aged care."

In **January** we submitted an op-ed by CEO Pat Garcia on aged care funding reform which was published in the AFR. CHA Aged Care Director Jason Kara was interviewed about the article on 2GB.

In **February** 2023 we placed a story with The Australian calling for increased user contributions in aged care and one in the Sydney Morning Herald calling for migration reforms.

In **March** and **April**, we ramped up our media activity ahead of the federal budget. We placed stories on the need for greater user contributions in aged care, the need for insurers to fund out-of-hospital care, and the need to support nurses with accommodation costs. Additionally, we also received coverage on our pledge to pass on FWC-ordered pay rises to our dedicated aged care staff.

In **May** we placed an article in The Australian supporting the government's extra funding for aged care, which was later quoted by Minister Anika Wells during Question Time in Parliament. Jason Kara appeared on ABC Afternoon Briefing to cover the announcement of funding for the Fair Work Commission decision on aged care wages and discuss issues such as workforce and financial sustainability.

In **June** we commented on the government's Aged Care Taskforce, with Jason Kara interviewed on ABC AM calling for greater user contributions. We also placed an op-ed by Caitlin O'Dea on the need for insurers to fund out-of-hospital care and another op-ed by Pat Garcia on Calvary Hospital.

# Our *members*

Amelie Housing

Cabrini Health

Calvary Ministries

Archdiocese of Melbourne

Archdiocese of Sydney (CatholicCare)

Cardinal Stepinac Village

Catholic Healthcare Ltd

Catholic Homes Incorporated

Catholic Religious Australia

Centacare Brisbane

Daughters of Charity of St Vincent de Paul (St Catherine's Aged Care Services)

Diocese of Lismore

Diocese of Port Pirie

Franciscan Missionaries of Mary

Franciscan Missionaries of the Divine Motherhood

Franciscan Sisters of the Heart of Jesus

Little Sisters of the Poor

Mary Aikenhead Ministries (St Vincent's Health)

MercyCare Limited

Mercy Ministries Companions

Mercy Partners (Mater)

Mount La Verna Retirement Village Inc

Ozcare

Queensland Hibernian Society

Scalabrini

Sisters of St Paul De Chartres

Southern Cross Care (Broken Hill) Ltd

Southern Cross Care (NSW & ACT)

Southern Cross Care (QLD) Inc

Southern Cross Care (SA & NT) Inc

Southern Cross Care (Tas) Inc

Southern Cross Care (WA) Inc

St John of God Health Care

St Vincent De Paul Queensland

St Vincent De Paul Society

Trustees of Catholic Aged Care Sydney

Villa Maria Catholic Homes

UnitingCare Queensland Hospitals

# Our *board*



## **Hon John Watkins AM**

*Chair, Catholic Health Australia*

John is the Chair of Catholic Health Australia and Catholic Professional Standards Ltd, a member of the Advisory Committee for the Centre for Emotional Health at Macquarie University and an Adjunct Professor of Law at the University of Western Sydney. John was made a Member of the Order of Australia in the Australia Day Honours List in 2015, for significant service to the community through leadership positions within health organisations, tertiary education and the Parliament of NSW. John worked as a teacher for 16 years until his election to the NSW Parliament in 1995 – 2008. He served ten years as a Minister, including the portfolios of Fair Trading, Sport and Recreation, Police and Corrective Services, Transport, Finance, State Development, and Education and Training. He was Deputy Premier when he retired in 2008. Subsequently, he has served as Chancellor of the University of New England in 2013 and 2014.

## **Jenny Parker**

*Deputy Chair, Catholic Health Australia*

Jenny is Deputy Chair and member of the audit and risk committee of Catholic Health Australia. She has more than 33 years of professional services experience and is currently the Health and Life Sciences Leader for Oceania at consultants EY. Jenny has considerable experience working with health organisations including the Mater Hospital Group and St Vincent's Health, and has a proven track record in major government reviews within the health sector. Jenny has previously been the Chair for Centacare Council, a not-for-profit entity supporting disability and aged care clients.

As well as being a board member for Catholic Health Australia, Jenny is also Chair of Catholic Education for the Brisbane Archdiocese, Deputy Chair for the Archdiocesan Finance Council, Deputy Chancellor for Queensland University of Technology, and a board member for Cancer Council Australia



## **Julien O'Connell AO**

*Non-Executive Director*

Julien has a long and distinguished career in insurance, accounting and risk management. He is the Acting Pro-Chancellor, Australian Catholic University (ACU); Chairman of a CEO Institute Syndicate; Chairman Mercy Health Foundation Board; Chairman, Villa Maria Catholic Homes; Chairman, PM Glynn Institute, ACU and ACU's Finance and Resource Committee; a member of a number of boards and finance councils and supports Enterprise Ireland in Victoria. In 2018 he retired after serving for a decade as Chairman of Mercy Health and for 23 years he served on the Finance Committee of the Catholic Archdiocese of Melbourne. He also chairs Catholic Health Australia's Audit and Risk Committee. His significant service to the community was recognised with an Order of Australia (AM) in the 2013 Australia Day honours and an Officer of the Order of Australia (AO) in the 2020 Queen's Birthday honours

## **Jim Birch AM**

*Non-Executive Director*

Jim is currently Chair of Little Company of Mary Health Care, Chair of Lifeblood (formerly the Australian Red Cross Blood Service, Chair of the Women's and Children's Health Network (South Australia) and Chair of Clevertar Pty Ltd. He is also a Director of the Cancer SA Board. Prior to this Jim was a Partner at Ernst and Young having previously been the Global Health Care Leader, and the Oceania Government and Public Service Leader. During his time at EY Jim has delivered or led major consultancies in Australia, Asia and the Middle East. Jim has been a Chief Executive of a Human Services and Health Department (South Australia) and Deputy Chief Executive of Justice. He has been Chair of the Australian Health Minister's Advisory Council, during which he led the establishment of the Australian Commission on Safety and Quality in Health Care. Jim has also been a Chief Executive and Senior Executive of many health services during his career and has served as a Director on various health, human services and education Boards and committees.







### **Virginia Bourke**

*Non-Executive Director*

Virginia is a lawyer and consultant in private practice with a breadth of corporate governance and commercial experience. She is a consultant with the national health industry group at MinterEllison Lawyers and previously worked as General Counsel for the Institute of Sisters of Mercy of Australia and Papua New Guinea and as Special Counsel in the Employment Law group at MinterEllison Lawyers. Virginia is the Chair of Mercy Health, and is also Chair of St John Ambulance Victoria, a Director of St John Ambulance Australia, a Director of the Mater Group and a Director of Catholic Health Australia. Virginia is a Director of Caritas Australia, a Member of the Boards Appointment Committee with the Catholic Archdiocese of Melbourne and an Advisory Board Member for the PM Glynn Institute at Australian Catholic University.

### **Sr Ruth Durick osu**

*Non-Executive Director*

Ruth is a member of the international Institute of the Ursulines of the Roman Union. Currently she is the Leader of the Australian Province, having been appointed in February 2020. Ruth is also a member of the order's General Finance commission and Commission on Safeguarding. Ruth has a background in secondary education, administration, formation and governance; she holds a BA (ANU); B. Theol (MCD); Dip Ed; M.A.(Social Ecology) UWS; M. Litt.(Peace Studies) (UNE). Ruth has been a board director of St. Ursula's College Toowoomba and been Chair of Members of the same organisation. She is a member of Australian Institute of Company Directors.

### **Paul McClintock AO**

*Non-Executive Director*

Paul is Chair of St Vincent's Health Australia, I-Med Radiology and Laser Clinics Australia. His former positions include Secretary to Cabinet in the Federal Government, Chair of Medibank Private, Symbion Health, Affinity Health, the Woolcock Institute of Medical Research, the COAG Reform Council and Sydney Health Partners, National Chair of CEDA and a Commissioner of the Health Insurance Commission. Paul graduated from Sydney University in Arts and Law, is an honorary fellow of the Faculty of Medicine of that university, a Life Governor of the Woolcock Institute of Medical Research and an Honorary Life Trustee of CEDA. He was made an Officer in the Order of Australia in 2009.

### **Hon Kerry Sanderson AC CVO**

*Non-Executive Director*

Kerry Sanderson has had a long and distinguished career in public life and corporate Australia. Kerry has been the Chair of St John of God Health Care since May 2018. She is currently Chancellor of Edith Cowan University, a role she has had since January 2019. Between 2014 and 2018 Kerry was Governor of Western Australia, the first woman to occupy that role. In 2016 she was named Companion of the Order of Australia 2016 for eminent service to the people of Western Australia and in January 2020 she was appointed as a Commander of the Royal Victorian Order by the Queen in recognition of her distinguished personal service to the Royal family. Kerry has also held a number of senior positions on large corporations and public institutions. She participates in a number of charitable and community activities including Chair of the WA Parks Foundation, Patron of the Western Australian Aboriginal Leadership Institute, the Bibbulmun Track Foundation and the Rottneest Voluntary Guides Association.



### **Bradley Prentice**

*Non-Executive Director*

Bradley has over 35 years' legal experience in both private and Government legal practice. He is Chairman of Southern Cross Care Australia, Chairman of Southern Cross Care (WA) Inc., Director of Knicross Enterprises Pty Ltd. and PMRC Relationship Education Foundation.



### **Sister Clare Nolan rsc**

*Non-Executive Director*

Sister Clare Nolan rsc joined the CHA Board in November 2021. Up until March 2021 she had held the position of Congregational Leader of the Sisters of Charity for six years. In that role she was also the member of Mary Aikenhead Ministries, who are the stewards of St Vincent's Health Australia - Australia's largest not-for-profit health and aged care provider and the thirteenth-largest privately held Company in Australia. Sr Clare did her Nurse training at the Mater Hospital Brisbane. Following this she entered the Novitiate of the Sisters of Charity of Australia in Sydney. Following her Formation as a Sister of Charity she was missioned to the healing ministry of Christ at St. Vincent's Darlinghurst in Sydney and has remained in the healing ministry all of her religious life in a variety of places. Nursing and Health Administration played a large part of her ministry and led to eighteen years in Congregational Leadership concluding in March 2022.



### **Archbishop Julian Porteous**

*Non-Executive Director*

His Grace was ordained a priest in 1974. After postings in Sydney and serving as Rector of the Seminary of the Good Shepherd in Sydney he was ordained Auxiliary Bishop in Sydney in 2003. He was installed as the Archbishop of Hobart in 2013.

His Grace has been a member of several Commissions for the Australian Bishops conference and was more recently a member of the Bishops Commission for Evangelisation, Laity and Ministry.

His episcopal ministry in Tasmania has focused on the renewal of parishes, the encouragement of religious life, the development of youth ministry, marriage and evangelisation, and the establishment of the Christopher Dawson Centre for Cultural Studies to advance the Catholic Intellectual Tradition within the Archdiocese of Hobart, and beyond.

### **Stephen Teulan**

*Non-Executive Director*

Stephen has been Board Chair of Catholic Healthcare Limited since July 2021 following his appointment as a Director in September 2018. He is a Chartered Accountant whose executive experience includes 21 years in senior management roles in the aged care and health sectors, including five years leading one of Australia's largest aged care providers. Stephen spent 19 years at Deloitte, including seven years as a partner specialising in the health sector, as well as 5 years as a Principal Consultant for the Nous Group. Stephen joined the CHA Board in early 2021.





# Our *staff*



## **Pat Garcia**

*CEO of Catholic Health Australia*

Pat Garcia is the CEO of Catholic Health Australia, the largest not for profit grouping of health and aged care services in Australia. He is a lawyer, policy expert and political strategist who has worked in all three levels of government including as the Director of Policy to the NSW Premier, as a Senior Adviser in the Department of Prime Minister & Cabinet, and as Chair of a local government planning committee.

Pat is an experienced board director whose experience spans the boards of the St Vincent de Paul Society National Council, the Law Council of Australia, the Law Society of New South Wales, Shine for Kids, Surf Life Saving Sydney and Youth Action. He is a former Club Captain of Coogee Surf Life Saving Club and former Army Reserves Officer.

Pat has degrees in Law, Finance & Marketing, Public Policy, International Law and Security

## **Adrian Kerr**

*Director Communications, Media & Governance*

Adrian Kerr joined CHA in June 2023 as the Director of Communications, Media & Governance.

As a former radio and television journalist, Adrian has worked in newsrooms in Sydney, Melbourne and regional Victoria, including the ABC, SBS and Nine Network. He has also worked extensively in media and communications across the NSW public service, including as Group Media Director at NSW Education during the COVID-19 pandemic.

He brings his broad experience in public affairs to CHA and the social justice and care economy.

## **Jason Kara**

*Director Aged Care*

Jason has considerable public policy experience including 19 years in the NSW public service in various agencies with a focus on human service delivery. For the last five years, Jason has been employed as the Director Strategy and Design, Housing and Homelessness, at the NSW Department of Communities and Justice. Prior to that he was the Director Ageing, Carers and the Disability Council NSW at the NSW Department of Family and Community Services (FACS).

Jason has previously been the Director Business Improvement at FACS, undertaken a placement with a disability advocacy organisation in Vanuatu to build capacity and sustainability of the sector, and been a Senior Adviser in the Office of the Premier of New South Wales. Jason has a commitment to the social justice mission of Catholic health and aged care providers.

## **Caitlin O'Dea**

*Director Health and Finance*

Caitlin has spent a decade across roles in government relations, policy development, health insurance innovation, and program & partnership management. She has a deep understanding of the significant and varied issues the health sector faces for governments, consumers, providers and funders. Prior to joining Catholic Health Australia in March 2022, Caitlin had been at Bupa Health Insurance Australia, where she was the the Hospital Partnerships and Health Program Design Manager.

Caitlin has also worked for Safe Work Australia, the NSW Department of Education and Training, and the Australian Bureau of Statistics. Caitlin has a Masters in Public Health from UNSW, and a Bachelor of Economics and Social Science from the University of Sydney. She also studied Mandarin in Taiwan, and European Politics in Manchester.



### **Brigid Meney**

#### *Director of Strategy & Mission*

Brigid is a policy and advocacy expert who has more than a decade's experience in the public and not-for-profit sectors. She has worked as a ministerial adviser for both Federal and State Coalition Ministers and Assistant Ministers in a range of portfolios including health, aged care, multicultural affairs, and resources and energy. Brigid started her career as a nurse in aged care and is passionate about building a society that reflects the intrinsic value of all people and promotes the dignity of the human person through the health care system. Brigid has both an Arts degree and a Masters in Nursing from the University of Sydney and is currently pursuing a Masters in Public Leadership and Policy at the University of New South Wales. Brigid has represented the Catholic Women's League at the UN Commission on the Status of Women in New York. She is also a regular panellist on radio and television programs.

### **Alex Lynch**

#### *Manager, Health Policy*

Alex has worked across government, clinician education and aged care. He has extensive health policy experience both in and out of government, including most recently with the Independent Hospital Pricing Authority. Prior to IHPA, Alex worked with leading clinicians on paediatric and disability policy at the Royal Australasian College of Physicians. Beginning his career working in aged care homes and community-based aged care services, Alex is passionate about delivering policy solutions that ensure high quality health and aged care is available to the most vulnerable members of our community.

### **Shona McQueen**

#### *Senior Advisor Aged Care*

Shona McQueen joined CHA as our Senior Advisor Aged Care in 2018. Before retiring from the Public Service, Shona was the Assistant Secretary of Home Care Reform Branch in the Ageing and Aged Care Stream. She has had over a decade of working in aged care policy at senior levels in the Department of Health and Ageing and previously the Department of Social Services.

### **Deborah Reynolds**

#### *Office & Membership Manager*

As Office & Membership Manager, Deborah is the friendly, welcoming face of CHA for all members and guests and she maintains the smooth running of the CHA office. She manages client and provider relationships, office technology and administration and provides day-to-day support to CHA staff. Deborah is also Program Support Officer for CHA's Ministry Leadership Program. In this role she provides hospitality and administrative support to participants and their organisations so that they have a positive experience of the program from registration, session attendance and interaction with the program's learning management system.

She also provides a support role to CHA events, oversees national awards and registrations, and liaises with external conference organisers.

If you need to know who to contact at CHA on a particular matter, kindly contact Deborah who will happily re-direct you to the appropriate person.

### **Anne Kubiak**

#### *Manager, Policy*

Anne joined CHA in July 2023, and has an extensive background in health and environmental science policy. Having worked in senior positions across government, the private sector and in the clinical environment, Anne understands the complexities of providing solutions which supports the reforms required across the health and aged care portfolios.

Anne's advocacy extends to promoting the wellbeing of both individuals and the environment. Anne began her career as a nurse and leads with compassion and empathy, understanding the most vulnerable, whilst emphasising the importance of fostering and maintaining healthy populations as a primary goal.



# The *financials*

**Catholic Health Australia Limited**

ABN 30 351 500 103

For the financial year ended 30 June 2023

## Information on directors

Your directors present this report on the company for the financial period ended 30 June 2023.

The names of each person who has been a director during the year and to the date of this report are:

Hon John Watkins AM (Chair)	Current
Ms. Jenny Parker (Deputy Chair)	Current
Mr. James Birch AM	Current
Ms. Virginia Bourke	Current
Sr Ruth Durick OSU	Current
Mr. Paul McClintock AO	Current
Sr Clare Nolan RSC	Current
Mr. Julien O'Connell AO	Current
Archbishop Julian Porteous DD	Commenced Sept 2022
Mr. Bradley Prentice	Current
Hon Kerry Sanderson AC CVO	Current
Mr. Francis Sullivan AO	Resigned Sept 2022
Mr. Stephen Teulan	Current

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

## Principal Activities

The principal activities of the company during the period were to promote justice and compassion in health care, influence public policy in relation to health and aged care, and strengthen the presence and influence of Catholic health and aged care within the Australasian health care system.

## Short-term and long-term objectives

The company's short-term objectives are to advance health, social, and public welfare as the national advocate for the healing Ministry of the Catholic Church in Australia by supporting the service capacity and promoting the Catholic identity of its members, to contribute to the fulfilment of the Mission of the Catholic Church.

The company's long-term objectives are to pursue the direct benevolent relief of illness, relief of the needs of the aged, and of poverty as a social determinant of health for the benefit of all Australians.

## Strategies

The company has adopted a strategic plan to operate through the period 1 July 2020 to 30 June 2025. The three strategic priorities of that plan are:

**Influential Advocacy:** CHA will advocate for, and lead on, policies and programs that supports CHA members and the healing ministry across health, aged and community care.

**Sector Engagement:** CHA will strengthen its collaborative engagement with the CHA members, government, Catholic organisations, other key stakeholders, and the wider community to support advocacy.

**Capability:** build the capacities of our people in support of catholic health, aged, and community services.

## Hon John Watkins AM

### Qualifications

- LLB; Master of Arts; Diploma of Education; Hon DLitt Macq
- Hon Doctor of Education UNDA

### Experience

- Member Governing Council of NeuRA 2018-2022
- Member State Executive Board NSW ALP Director
- Chair Calvary Healthcare Board 2010-19 Chair
- Mary MacKillop Today Board 2012-2020 Chair
- Caritas Australia Board
- McKell Institute 2011-2018
- Director Catholic Professional Standards Limited 2016-2020 CEO
- Alzheimer's Australia NSW 2008-2017
- Dep Premier of NSW 2005-2008
- Minister in NSW Government 1999-2008
- Catholic Schools (Paramatta) Board

### Appointment

- CHA Constitution Rule 22 (b)

### Special responsibilities

- Chair of the Catholic Health Australia Board from 30 July 2019
- Member of the Executive Committee
- Member of the Audit and Risk Committee
- Member of the Nominations and Remuneration Committee

## Jennifer Parker

### Qualifications

- B. COMM (UQ)
- Hon Doctor of QUT
- Fellow of Chartered Accountants Australia and New Zealand (CAANZ)
- Graduate Institute of Company Directors

### Experience

- Partner Ernst & Young (EY)
- Board Member, Mater Health Group; Chair-Finance & Audit Committee, Mater Health Group
- Chair, Brisbane Catholic Education – Archdiocese of Brisbane
- Deputy Chair, Archdiocesan Council – Archdiocese of Brisbane
- Former Deputy Chancellor and Council Member, Queensland University of Technology
- Board Member & Finance, Audit & Risk Committee Chair Queensland Museum

### Appointment

- CHA Constitution Rule 22 (a) (ii) – Mercy Partners

### Special responsibilities

- Deputy Chair, Catholic Health Australia Board
- Chair of the CHA Risk & Audit Committee
- Member of the Executive Committee



## James Birch AM

### Qualifications

- Bachelor of Health Administration (UNSW)

### Experience

- Chair of Little Company of Mary Health Care
- Director of Australian Red Cross
- Director of Beamtree Holdings Ltd

### Appointment

- CHA Constitution Rule 22 (a) (i) – Little Company of Mary Limited

## Virginia Bourke

### Qualifications

- BA/LLB (Hons) MA Monash University
- Graduate - Australian Institute of Company Directors

### Experience

- Chair, Mercy Health
- Pro-Chancellor, Australian Catholic University
- Director, Caritas Australia
- Member, Council of Board Chairs (State Government of Victoria)
- Member, Boards Appointment Committee, Catholic Archdiocese of Melbourne
- Chair, Safeguarding Committee, ISMAPNG
- Consultant, National health team, Minter Ellison
- Lawyer and consultant in private practice
- Formerly Chair, St John Ambulance Victoria and Director, Mater Group
- Formerly Special Counsel at Minter Ellison
- Formerly General Counsel at ISMAPNG

### Appointment

- CHA Constitution Rule 22 (b) - Aged Care

## Sr Ruth Durick, osu

### Qualifications

- BA (ANU); Dip Ed (Mitchell College of Advanced Education);
- B.Theol. (Melbourne College of Divinity); MLitt (Peace Studies) (UNE); MA (Social Ecology) (UWS)

### Experience

- President Catholic Religious Australia 2016-2018
- Member Catholic Religious Australia Council 2013-2018
- Member of Ursuline International Justice and Peace Committee 2008- 2011.
- Member Ursuline General Finance Commission 2016-current
- Director, St Ursula's College Toowoomba 2007-2016
- Chair of Members, St Ursula's College Toowoomba 2012-2016
- Member, Australian Institute of Company Directors

### Appointment

- CHA Constitution Rule 23.4 - Board Appointee (I)

## Paul McClintock AO

### Qualifications

- BA, LLB

### Experience

- Chair of St Vincent's Health Australia
- Chair of I-Med Radiology and Laser Clinics Australia
- Former positions include Secretary to Cabinet in the Federal Government
- Chair of Medibank Private
- Chair of Symbion Health
- Chair of Affinity Health
- Chair of the Woolcock Institute of Medical Research
- Chair of COAG Reform Council and Sydney Health Partners
- National Chair of CEDA
- Commissioner of the Health Insurance Commission

### Appointment

- CHA Constitution Rule 22(a) (v) – St Vincent's Health Australia Limited

## Sr Clare Nolan, rsc

### Qualifications

- Bachelor Applied Science Nursing Administration – (QUT, 1979)
- Clinical Pastoral Education - Brisbane, 1979
- Registered Midwife - Queen Victoria Hospital, Launceston, 1975
- Registered Nurse - Mater Hospital, Brisbane, 1964

### Experience

- Congregational Leader 2014 - 2021
- Congregational Leader of Our Lady's Nurses for the Poor 2017-2021
- Member of the Congregational Leadership Team, 1984-1996
- Sisters of Charity & Holy Spirit Health Service, 1999-2001
- State Chapter of the Australian Catholic University, 1998-2001
- Encompass Australasia, 1998-2001
- Solomon Island Australia Foundation Ltd, 1998-2008
- St Vincent's Hospital Toowoomba, 1998-2001
- Sisters of Charity Health Service National Board, 1996-1997
- St Vincent's Hospital (Launceston) Limited, 1992-1997
- St Vincent's Clinic (Sydney) Limited, 1990-1997
- St Vincent's (Melbourne) Limited, 1991-1996
- Sisters of Charity Outreach - St Vincent's Clinic Darlington, 1998 - 2003
- National Chief Executive Officer, Sisters of Charity Health Service, 1996- 1997
- Sisters of Charity Welfare / Prison / Aboriginal / Homeless Ministries, 1990- 1996
- Member, Australian Institute of Company Directors
- Director of Nursing: St Vincent's Hospital Sydney, 1982-1984

### Appointment

- CHA Constitution Rule 22(d) - Catholic Religious Australia designate

## **Julien O'Connell AO**

### **Qualifications**

- Diploma of Accounting
- Fellow of the Australian Institute of Company Directors

### **Experience**

- Chairman, Villa Maria Catholic Homes
- Director of a number of related entities Enterprise Ireland (Trade Attaché)
- Board Member, Finance Council, Catholic Archdiocese of Melbourne
- Chairman, CEO Institute (Syndicate 4) - Mentoring to CEO & Chairs of Member Companies
- Member, Equestrian Order of the Holy Sepulchre of Jerusalem
- Chair, PM Glynn Institute
- Member, Boards Appointment Committee, Catholic Archdiocese of Melbourne

### **Appointment**

- CHA Constitution Rule 22(b)

### **Special responsibilities**

- Chair of the CHA Mission and Identity Committee

## **Archbishop Julian Porteous DD**

### **Qualifications**

- B. Theol

### **Experience**

- Archbishop of Hobart
- Auxiliary Bishop of Sydney
- Established the Office for Evangelisation, CREDO
- Titular Bishop of Urusi
- Member of the Bishops Commission for Evangelisation, Laity and Ministry
- Patron for Shalom Media Australia.

### **Appointment**

- Australian Catholic Bishops Conference Designate

## **Bradley Prentice**

### **Qualifications**

- BCom, LLB, LLM, MACID

### **Experience**

- Chair of Southern Cross Care (WA)
- Chair of Southern Cross Care (Australia).
- Over 30 years legal experience in both private and Government legal practice

### **Appointment**

- CHA Constitution Rule 22 (a) (iii) Southern Cross Care Australia

## **Hon Kerry Sanderson AC CVO**

### **Qualifications**

- Bachelor of Science; Bachelor of Economics; Hon DLitt (UWA);
- Doctor of the University (Murdoch University);
- FAICD; FIPAA

### **Experience**

- Current Chair St John of God Health Care Inc
- Former Governor of Western Australia
- Former Chancellor of Edith Cowan University
- Chair of the WA Parks Foundation
- Former Chair of Gold Corporation
- Former independent chair of the State Emergency Management -Committee
- Former Non-Executive Director of Downer EDI and Atlas Iron
- Former Board Member of Senses Australia, the Paraplegic Benefit Fund
- Former Agent General for WA
- CEO of Fremantle Ports
- Deputy Director General of Transport for WA
- Director of the Economic & Financial Policy Division Western Australian State Treasury

### **Appointment**

- CHA Constitution Rule 22 (a) (iv) St John of God Health Care Inc

### **Special Responsibility**

- Member of the Nominations and Remuneration Committee

## **Francis Sullivan AO**

### **Qualifications**

- MA (Theol); Grad Dip Ed.

### **Experience**

- Executive Chair of the Mater Health Group Queensland
- Director of Mercy Health Australia
- Director of Catholic Social Services Australia
- Adjunct Professor at ACU
- Previously CEO of the Truth, Justice and Healing Council
- Previously Secretary General of the AMA
- Previously CEO of Catholic Health Australia

### **Appointment**

- CHA Constitution Rule 22 (b) –Rural or Remote Health and/or Aged Care

## **Stephen Teulan**

### **Qualifications**

- BCom. CA GAICD

### **Experience**

- Board Chair Catholic Healthcare Ltd
- 21 years in senior management roles in the aged care and health sectors
- 5 years Principal Consultant Nous Group, including leading its health ageing consulting practice
- 19 years in Deloitte -7 years as a partner specialising in the health sector.

### **Appointment**

- CHA Constitution Rule 22 (b) – Aged Care



## Meetings of Directors

During the financial year, five meetings of directors were held. Attendances by each director were as follows:

	Number eligible to attend	Number attended
Hon John Watkins AM (Chair)	5	4
Ms Jenny Parker	5	4
Mr Jim Birch AM	5	4
Ms Virginia Bourke	5	5
Sr Ruth Durick, osu	5	5
Mr Paul McClintock AO	5	4
Sr Clare Nolan, rsc	5	5
Mr Julien O'Connell AO	5	5
Archbishop Julian Porteous DD	5	4
Mr Bradley Prentice	5	5
Hon Kerry Sanderson AC CVO	5	5
Mr Francis Sullivan AO	1	0
Mr Stephen Teulan	5	5

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 30 June 2023, the total amount that members of the company are liable to contribute if the company is wound up is \$10. At 30 June 2023, the number of members was 41.

## Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 9 of the financial report.

Signed in accordance with a resolution of the Board of Directors.

Director



Hon John Watkins AM



Jenny Parker



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### AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Catholic Health Australia Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Australian Charities and Not for profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

*RSM*

**RSM Australia Partners**

*G Stenhouse*

**GED STENHOUSE**  
Partner

Canberra, Australian Capital Territory  
Dated: 16<sup>th</sup> August 2023

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## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

		2023 \$	2022 \$
Revenue	Note 2	2,908,437	2,655,464
Other income	2	1,267,609	172,247
		<b>4,176,046</b>	<b>2,827,711</b>
Employee benefits		(1,602,538)	(1,556,908)
Sponsorship, grants, honorariums and donations		(30,478)	(48,273)
Travel		(282,162)	(120,837)
Phone and internet		(6,943)	(5,390)
HR expenses		(57,780)	(90,764)
Accounting		(68,167)	(60,040)
Bad debt expense and fee adjustments		-	(81,641)
Consultancy expenses	3	(911,544)	(259,648)
Depreciation and amortisation		(76,974)	(78,610)
Insurance		(39,437)	(35,262)
Office supplies, printing, postage		(22,656)	(70,635)
Conference expenses		(207,270)	-
Travel expenses		(179,579)	(79,771)
Other expenses		(19,269)	(74,424)
		<b>(3,504,797)</b>	<b>(2,562,203)</b>
Surplus before income tax		<b>671,249</b>	<b>265,508</b>
Tax expense		-	-
Net surplus		<b>671,249</b>	<b>265,508</b>
Other comprehensive income/(loss)		(3,757)	-
<b>Total comprehensive income</b>		<b>667,492</b>	<b>265,508</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes



## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	4	3,032,168	3,732,397
Trade and other receivables	5	118,415	-
Other current assets	6	120,829	98,957
<b>Total current assets</b>		<b>3,271,412</b>	<b>3,831,354</b>
<b>NON-CURRENT ASSETS</b>			
Investment	7	1,010,289	-
Property, plant and equipment	8	14,849	11,814
Right of use asset	8	113,412	182,714
<b>Total non-current assets</b>		<b>1,138,550</b>	<b>194,528</b>
<b>TOTAL ASSETS</b>		<b>4,409,962</b>	<b>4,025,882</b>
<b>LIABILITIES</b>			
Current liabilities			
Trade and other payables	9	225,540	125,095
Income in advance	10	89,176	317,207
Provisions	11	161,130	261,100
Lease liabilities	12	75,945	69,343
<b>Total current liabilities</b>		<b>551,791</b>	<b>772,745</b>
Non-current liabilities			
Provisions	11	22,211	8,651
Lease liabilities	12	52,037	128,055
<b>Total non-current liabilities</b>		<b>74,248</b>	<b>136,706</b>
<b>TOTAL LIABILITIES</b>		<b>626,039</b>	<b>909,451</b>
<b>NET ASSETS</b>		<b>3,783,923</b>	<b>3,116,431</b>
<b>EQUITY</b>			
Retained Earnings		3,116,431	2,850,923
Investment revaluation reserves		(3,757)	-
Surplus for the year		671,249	265,508
<b>TOTAL EQUITY</b>		<b>3,783,923</b>	<b>3,116,431</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Retained Earnings	Investment revaluation reserves	Total
	\$	\$	
Balance as at 1 July 2021	2,850,923	-	2,850,923
Surplus/(deficit) for the year attributable to members of the entity	265,508	-	265,508
Balance as at 30 June 2022	3,116,431	-	3,116,431
Other comprehensive income/(loss)	-	(3,757)	(3,757)
Surplus/(deficit) for the year attributable to members of the entity	671,249	-	671,249
Balance as at 30 June 2023	3,787,680	(3,757)	3,783,923

	Note	2023 \$	2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from memberships, workshops and sales		4,023,203	3,012,567
Payments to suppliers and employees		(3,596,317)	(2,504,215)
Other income		(10,289)	-
Interest paid on lease liabilities		(4,668)	(14,787)
Interest received		(36,703)	-
Net cash generated from operating activities		375,226	493,565
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for Property, Plant and Equipment		(10,707)	(8,517)
Purchase of investments		(1,000,000)	-
Net cash used in investing activities		(1,010,707)	(8,517)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liabilities		(64,748)	(37,889)
Net cash used from financing activities		(64,748)	(37,889)
Net (decrease)/increase in cash held		(700,229)	447,159
Cash on hand at beginning of the financial year		3,732,397	3,285,238
<b>Cash on hand at end of the financial year</b>	<b>4</b>	<b>3,032,168</b>	<b>3,732,397</b>

The above statements of changes in equity should be read in conjunction with the accompanying notes

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Catholic Health Australia Limited as an individual entity, incorporated and domiciled in Australia. Catholic Health Australia Limited is a company limited by guarantee.

#### **New or amended Accounting Standards and Interpretations adopted**

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

#### **Basis of preparation**

These general purpose financial statements have been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'). The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

#### **Historical cost convention**

The financial statements have been prepared under the historical cost convention.

#### **Comparative figures**

Where necessary, comparative figures have been adjusted to conform to changes in presentation in these financial statements.

#### **Income tax**

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

#### **Goods and Services Tax (GST) and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

#### **Leases**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred. Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.



## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification. An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

### Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use.

### Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

### Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

### Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

## NOTE 2. REVENUE AND OTHER INCOME

	2023 \$	2022 \$
<b>REVENUE</b>		
Membership subscription	2,908,437	2,655,464
	2,908,437	2,655,464
<b>OTHER REVENUE</b>		
Workshop and conference	599,353	-
Interest received	36,703	-
Other income	631,553	172,247
	1,267,609	172,247
	<b>4,176,046</b>	<b>2,827,711</b>

### Accounting Policy

#### Membership subscription revenue

Revenue is recognised at the amount that reflects the consideration to which the entity is expected to be entitled in exchange for transferring the service to the customer.

#### Grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

### Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

### Other income

Events, workshops, sale of goods and other income is recognised when the right to receive payment is established.

## NOTE 3. EXPENSES

	2023 \$	2022 \$
<b>CONSULTANCY EXPENSES</b>		
Consultancy fees - Media	97,650	78,792
Consultancy fees - Policy	548,997	82,576
Consultancy fees - Others	58,204	17,265
Consultancy fees	206,693	81,015
	<b>911,544</b>	<b>259,648</b>

## NOTE 4. CASH AND CASH EQUIVALENTS

	2023 \$	2022 \$
Cash at bank	3,032,168	3,732,397
Cash on hand	-	-
	<b>3,032,168</b>	<b>3,732,397</b>

## NOTE 5. TRADE AND OTHER RECEIVABLES

	2023 \$	2022 \$
Accounts receivable	118,415	-
Expected credit loss	-	-
	<b>118,415</b>	<b>-</b>

## NOTE 6. OTHER CURRENT ASSETS

	2023 \$	2022 \$
Accrued income	122	-
Prepayments	120,707	98,957
	<b>120,829</b>	<b>98,957</b>

## NOTE 7. INVESTMENT

	2023 \$	2022 \$
Investment portfolio	1,010,289	-
	<b>1,010,289</b>	<b>-</b>

The investment portfolio consists of diverse investment categories, including equities, bonds, mutual funds and private equity. We have engaged a professional investment manager to oversee and manage this diversified portfolio.

**Accounting Policy***Investments and other financial assets*

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

*Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income include equity investments which the company intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

*Fair value through other comprehensive income election*

The company has made the irrevocable election to classify investments in managed funds as fair value through other comprehensive income, whereby gains and losses are recognised through equity as opposed to the profit and loss on disposal, and the cumulative changes in fair value will remain in equity and are not recycled to the profit and loss.

*Impairment of financial assets*

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain. For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.



## NOTE 8. PROPERTY, PLANT AND EQUIPMENT

	2023 \$	2022 \$
<b>OFFICE FURNITURE</b>		
At cost	104,011	93,304
Less accumulated depreciation	(89,162)	(81,490)
	14,849	11,814
<b>RIGHT-OF-USE ASSETS</b>		
At cost	265,652	265,652
Less accumulated depreciation	(152,240)	(82,938)
	113,412	182,714
	<b>128,261</b>	<b>194,528</b>

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Office Furniture \$	Right-of-use assets \$	Total \$
Balance as at 1 July 2022	11,814	182,714	194,528
Additions	10,707	-	10,707
Disposals	-	-	-
Depreciation expense	(7,672)	(69,302)	(76,974)
Balance as at 30 June 2023	14,849	113,412	128,261

### Accounting Policy

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

#### Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Office equipment	10% - 33%
Furniture and fittings	10% - 33%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

### Right-of-use asset

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

## NOTE 9. TRADE AND OTHER PAYABLES

	2023 \$	2022 \$
Trade payables	41,160	39,545
Accrued expenses	148,161	49,331
Funds held for programs	36,219	36,219
	<b>225,540</b>	<b>125,095</b>

**Accounting Policy**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

## NOTE 10. INCOME IN ADVANCE

	2023 \$	2022 \$
Deferred registration fees	89,176	317,207
	<b>89,176</b>	<b>317,207</b>

The investment portfolio consists of diverse investment categories, including equities, fixed and floating rate securities and property trust. We have engaged a professional investment manager to oversee and manage this diversified portfolio.

**Accounting Policy**

The Company receives monies in advance in relation to the annual conference held in August 2022. The Company will treat this money as payments in advance until the annual conference is held.

## NOTE 11. PROVISIONS

	2023 \$	2022 \$
<b>CURRENT</b>		
Annual leave	127,080	172,346
Long service leave	34,050	88,754
	<b>161,130</b>	<b>261,100</b>
<b>NON-CURRENT</b>		
Make good provision	1,881	1,826
Long service leave	20,330	6,825
	<b>22,211</b>	<b>8,651</b>
	<b>183,341</b>	<b>269,751</b>

**Accounting Policy***Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the

reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

## NOTE 12. LEASE LIABILITIES

	2023 \$	2022 \$
Current lease liabilities	75,945	69,343
Non-current lease liabilities	52,037	128,055
	<b>127,982</b>	<b>197,398</b>

### Accounting Policy

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incorporated association's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties.

The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

## NOTE 13. KEY MANAGEMENT PERSONNEL DISCLOSURE

	2023 \$	2022 \$
<b>COMPENSATION</b>		
The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:		
Aggregate compensation	355,975	308,456
	<b>355,975</b>	<b>308,456</b>

## NOTE 14. RELATED PARTY TRANSACTIONS

### Key management personnel

Disclosures relating to key management personnel are set out in Note 12.

### Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

### Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

### Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

## NOTE 15. REMUNERATION OF AUDITORS

	2023 \$	2022 \$
Audit of the financial statements	19,500	19,000
	<b>19,500</b>	<b>19,000</b>



## NOTE 16. EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

## NOTE 17. ENTITY DETAILS

The registered office of the Company and the principal place of business is:

Catholic Health Australia Limited  
Level 5, 60 Marcus Clarke Street  
Canberra ACT 2601

## NOTE 18. MEMBERS' GUARANTEE

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2023, the number of members was 41 (2022: 41).

## DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Catholic Health Australia Limited, the directors declare that:

1. The financial statements are in accordance with the Australian Charities and Not-for-profit Commission Act and
  - a. comply with Australian Accounting Standards – Simplified Disclosures; and
  - b. give a true and fair view of the financial position of the company as at 30 June 2023 and of its performance for the period ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Chair, Hon John Watkins AM  
Date: 11 August 2023



RSM Australia Partners

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
CATHOLIC HEALTH AUSTRALIA LIMITED**

**Opinion**

We have audited the financial report of Catholic Health Australia Limited ("the entity"), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors declaration.

In our opinion, the financial report of Catholic Health Australia Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the entity's financial position as at 30 June 2023 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards – *Simplified Disclosures* under AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Entities* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Catholic Health Australia Limited in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

Those charged with governance are responsible for the other information. The other information comprises the information included in Catholic Health Australia Limited's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Report**

The management of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – *Simplified Disclosures* under AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Entities* and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing Catholic Health Australia Limited's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Catholic Health Australia Limited or to cease operations, or has no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.



**RSM Australia Partners**





**GED STENHOUSE**  
Partner

Canberra, Australian Capital Territory  
16<sup>th</sup> August 2023



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