



# Annual Report

2018-2019



CHILDREN'S  
HEALTHCARE  
AUSTRALASIA



Published by Children's Healthcare Australasia (CHA):

PO Box 194 Mitchell,  
ACT 2911

© Copyright Children's Healthcare Australasia 2019

ISBN: 978-0-646-54376-5

Version: November 13, 2019 3:17 PM

All rights reserved. Except for the purposes of education, fair dealing and use within contributing member hospitals, no portion of this document should be reproduced or copied for any purpose, including general exhibition, lending, resale and hire, without the written consent of CHA.

October 2019

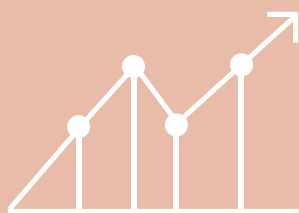


## Contents

|  |    |
|--|----|
| Letter from the President                      | 5  |
| Our Board of Directors & Staff                 | 6  |
| Our Members                                    | 7  |
| Online Member's Community                      | 8  |
| Improvement Exchange                           | 9  |
| Networking to Share Innovation & Best Practice | 10 |
| Recent CHA Events                              | 12 |
| Benchmarking to Enhance Performance            | 13 |
| Advocacy                                       | 15 |
| Financial Report                               | 16 |

# Celebrating the CHA Community

**The most comprehensive**  
Benchmarking Program for  
Paediatric Care in  
Australasia



CHA members care for  
**68%** of children  
receiving public inpatient  
care each year

**Growing and evolving:**  
**90+**

Member Hospitals sharing  
expertise about excellence  
in children's healthcare



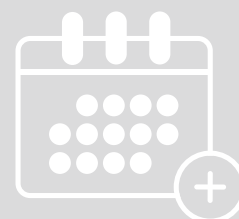
**1,759**  
**Managers & Clinical Leaders**  
actively engage in CHA  
Special Interest Groups



Giving children's services a voice:  
**13 Major Submissions**  
for National Australian Policy  
Consultations in 2018-2019



**Connect with peers to**  
**share innovations** and  
ideas about common  
challenges and their  
solutions



# Letter from the President

---

I am pleased to present the Annual Report for Children's Healthcare Australasia for 2018-19. I became President of CHA in June 2019, so for the majority of the year to which this report relates, Fionnagh Dougan was the President of CHA. I'd like to thank Fionnagh for her leadership of CHA during the past year.

In 2018, CHA celebrated its 30th anniversary. CHA was first formed to enable children's hospitals to benchmark and share ideas and best practice. Now in 2019, CHA has grown to a community of more than 90 paediatric services across Australia and New Zealand, with the same core vision to help us all connect with each other and spread good ideas and innovations quickly for the benefit of all children & families in our care.

In 2018-19, CHA has continued to actively support member health services to create positive changes. Through our many Special Interest Groups, our Benchmarking Program and our face to face Insight Forums, CHA members have connected with, learned from and supported each other as we collectively strive to improve both the experience and outcomes of healthcare for children, young people and their families.

Every year the team of staff at CHA work to enhance the services offered to members. In the past year, there have been significant changes made to the Benchmarking reports to make it easier for busy service managers to see where their hospital's performance is strong & efficient, and where there might be opportunities to improve outcomes and lower costs. A new member's website was developed to make it easier for our staff to share know-how and resources 24/7. Presentations by members at both face to face meetings and web conferences are now being recorded and published so everyone can access the expertise being shared. These efforts have significantly increased the value of participating in CHA.

The CHA Board is currently working on a new Strategic Plan for the next 5 years to guide CHA's future activities. We would welcome comments from all interested members and stakeholders as we work to finalise the Plan by the end of 2019.

I would like to thank my colleagues on the CHA Board, the CEO and staff and especially our member hospitals for the contribution made over the past year to CHA. As ever, CHA's value lies in the generosity and richness of the expertise shared by our members. Together we can achieve more for children & families than we can ever hope to do by working in isolation.

With warmest regards,

Mr John Stanway

President, Children's Healthcare Australasia



Mr John Stanway

President Elect (2019-present)

## Our Board of Directors during 2018-19

|                      |  |
|----------------------|--|
| Ms Fionnagh Dougan   | President CHA, Chief Executive, Children's Health QLD Hospital and Health Service, QLD (resigned June 2019)  |
| Mr John Stanway      | President Elect CHA, Chief Executive, Royal Children's Hospital, VIC   |
| Ms Emma Maddren      | Vice President CHA, General Manager, Starship Children's Hospital, NZ  |
| Dr Annie Moulden     | Vice President CHA, Community Paediatrician Victoria, VIC  |
| Prof Tish Davison    | Immediate Past President CHA, Executive Director, Children, Young People & Families Services Hunter New England Local Health District, NSW (resigned March 2019) |
| Prof Michael Brydon  | Former Chief Executive Officer, Sydney Children's Hospital Network, NSW  |
| Dr Paul Craven       | A/Executive Director, Children, Young People & Families Services Hunter New England Kids Health, NSW   |
| Mr Clinton Griffiths | Nurse Unit Manager, Ballarat Health Services, VIC  |
| Dr Keith Howard      | Medical Lead, Hunter New England Local Health District, NSW (resigned October 19)  |
| Dr Dimitria Simatos  | Director of Paediatrics, Eastern Health, VIC   |
| Ms Nicola Scott      | Clinical Nurse Manager, Christchurch Hospital, NZ  |
| Mr Sean Turner       | Director of Pharmacy, Women's & Children's Health Network, SA  |
| Dr Carola Wittekind  | Staff Specialist Paediatrician, Royal North Shore Hospital, Northern Sydney Local Health District, NSW   |

## Our Staff

|                   |   |                     |                                 |
|-------------------|---|---------------------|---------------------------------|
| Dr Barbara Vernon | Chief Executive Officer                       | Leila Kelly         | Networking Coordinator          |
| Gill McGaw        | Business Manager                              | Michelle Favier     | Events Coordinator              |
| Joanna Webb       | Finance Officer                               | Michael Vernon      | Website Coordinator             |
| Adele Kelly       | Collaborative Quality Improvement Coordinator | Jack Gooday         | CiviCRM Report writer           |
| Sean Oerlemans    | Clinical Projects & Financial Assistant       | Jennifer Etminan    | Marketing Officer               |
| Elijah Zhang      | Benchmarking Manager                          | Nathan McGaw        | Member Communications Assistant |
| Heather Artuso    | Maternity Benchmarking Coordinator            | Erandi Goonetilleke | Member Communications Assistant |
| Keith Tin         | Benchmarking Data Analyst                     | Kelly Eggleston     | Executive Assistant             |
|                   |   | Jenny Taylor        | Admin Assistant                 |

# Our Members

## NSW

### **Hunter New England Local Health District:**

Armidale Hospital  
John Hunter Children's Hospital  
Maitland Hospital  
Manning Rural Referral Hospital  
Tamworth Hospital

### **Illawarra Shoalhaven Local Health District:**

Shoalhaven District Hospital  
Wollongong Hospital

### **Northern Sydney Local Health District:**

Royal North Shore Hospital  
Hornsby Ku-ring-gai Hospital

### **The Sydney Children's Hospital Network:**

Children's Hospital at Westmead  
Sydney Children's Hospital

### **Tweed Byron Health Service Group:**

Byron District Hospital  
Mullumbimby & District War Memorial Hospital  
Murwillumbah District Hospital  
The Tweed Hospital

## VIC

### **Ballarat Health Service**

### **Barwon Health**

University Hospital Geelong

### **Bendigo Health**

### **Eastern Health:**

Angliss Hospital  
Box Hill Hospital  
Healesville Hospital  
Maroondah Hospital

### **Monash Health:**

Casey Hospital  
Dandenong Hospital  
Monash Children's Hospital

### **Northern Health:**

Northern Hospital

### **Peninsula Health:**

Frankston Hospital

### **The Royal Children's Hospital**

### **South West Healthcare:**

Warrnambool Base Hospital

### **Western Health:**

Sunshine Hospital

## NT

### **Department of Health NT:**

Alice Springs Hospital  
Royal Darwin & Palmerston Hospital

## WA

### **Child & Adolescent Health Service:**

Perth Children's Hospital

### **North Metropolitan Health Service:**

Joondalup Health Campus

### **South Metropolitan Health Service:**

Fiona Stanley Hospital

### **St John of God Health Service:**

Midland Public Hospital

### **WA Country Health Service:**

Albany Hospital  
Bridgetown Hospital  
Broome Regional Hospital  
Bunbury Hospital  
Busselton Hospital  
Carnarvon Hospital  
Collie District Hospital  
Denmark Hospital  
Derby Hospital  
Esperance Hospital  
Fitzroy Crossing  
Geraldton Hospital  
Halls Creek Hospital  
Hedland Health Campus  
Kalgoorlie Health Campus  
Karratha Health Campus  
Katanning Hospital  
Kununurra Hospital  
Margaret River Hospital  
Narrogin Health Service  
Northam Hospital  
Warren Hospital  
Wyndham Hospital

## TAS

### **Tasmanian Department of Health and Human Services:**

Royal Hobart Hospital  
Launceston General Hospital  
North West Regional Hospital

## SA

### **South Adelaide Local Health Network:**

Flinders Medical Centre

### **North Adelaide Local Health Network:**

Lyell McEwin Hospital  
Modbury Hospital

### **Women's & Children's Health Network**

## ACT

### **ACT Health:**

Centenary Hospital for Women & Children

## QLD

### **Cairns and Hinterland Hospital and Health Service:**

Atherton Hospital  
Cairns Hospital  
Innisfail Hospital  
Mareeba Hospital  
Tully Hospital

### **Children's Health Queensland Hospital & Health Service:**

Queensland Children's Hospital

### **Gold Coast Hospital & Health Service:**

Gold Coast University Hospital  
Robina Hospital

### **Mater Health Service:**

Mater Children's Private Hospital

### **Metro North Hospital and Health Service:**

Caboolture Hospital  
Redcliffe Hospital

The Prince Charles Hospital

### **Sunshine Coast Hospital and Health Service:**

Gympie Hospital  
Nambour

Sunshine Coast University Hospital

### **Townsville Hospital & Health Service:**

The Townsville Hospital

### **Wide Bay Hospital and Health Service:**

Hervey Bay Hospital  
Bundaberg Hospital  
Maryborough Hospital

## NZ

### **Auckland District Health Board:**

Starship Children's Hospital

### **Canterbury District Health Board:**

Christchurch Hospital

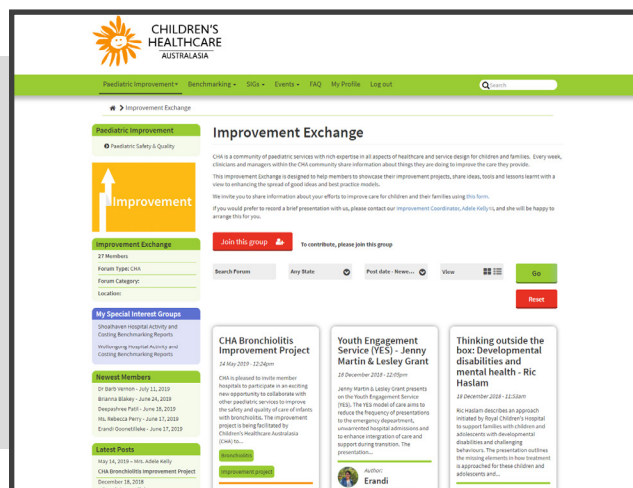


# Online Member's Community

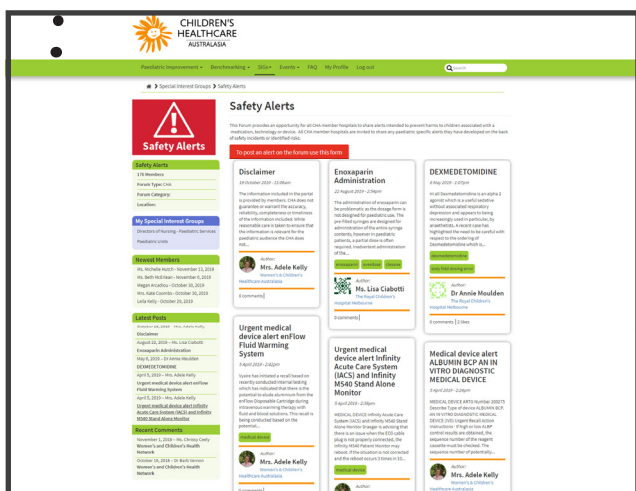


Our CHA online community continues to grow as more members join and share their expertise through our Special Interest Groups. CHA has also started an Improvement Exchange forum and a Safety Alert Forum for all CHA members to share ideas and discoveries about safe practice.

The Improvement Exchange is designed to help all CHA members to showcase their improvement projects, share ideas, tools and lessons learnt with a view to enhancing the spread of good ideas and best practice models across Australia & New Zealand.



The Safety Alerts Forum provides an opportunity for all CHA member hospitals to share alerts intended to prevent harms to children associated with a medication, technology or device. All CHA member hospitals are invited to share any paediatric specific alerts they have developed on the back of safety incidents or identified risks.





# Improvement Exchange

The Improvement Exchange is designed to help all CHA members to showcase their improvement projects, share ideas, tools and lessons learnt with a view to enhancing the spread of good ideas and best practice models across Australia & New Zealand.

Below are some examples of the types of improvements which have been shared within the CHA Improvement Hub:

## **RAPID: Right Care in the Right Place at the Right Time**

**Dr Stuart Lewena**

The Royal Children's Hospital VIC

An innovative front of house model to improve patient flow and experience of children and families in the Emergency Department

## **Procedural Pain and Anxiety Management**

**Dr Alexandra Donaldson**

The Queensland Children's Hospital QLD

Procedural Pain and Anxiety Management guidelines which considered Trauma Informed Care and the benefits for both patient, family and staff. The take home message was that Procedural distress and anxiety impacts everyone, preparation, consideration of communication techniques (one voice), pharmacological and the importance of being flexible and not making assumptions.

## **Access 3: Young people and the health system in the digital age**

**A/Prof Melissa Kang**

University of Technology Sydney NSW

Focussing on access to health services for young people from vulnerable backgrounds. Navigation support is crucial if you are marginalised or have a complex chronic illness particularly if you don't have family support, especially if transiting.

## **Creating a culture of Trust**

**Dr Christa Bell**

Gold Coast University Hospital QLD

This inspiring talk from the team at the GCUH Emergency Department demonstrates how important staff wellness is to patient care and how even seemingly small tasks can contribute to cultivating a happy staff environment.

# Networking to Share Innovation & Best Practice

CHA continues to expand its networking services for members with the goal of promoting information sharing to help improve paediatric healthcare. Our Special Interest Groups (SIGs) share information, collaborate and gain new insights via our face to face insight forums, teleconferences, webinars and secure online forums.

Meetings held during 2018-19 included:

- CHA Medication Safety - July 2018
- CHA Paediatric Units - November 2018
- CHA Directors of Nursing - November 2018
- CHA Paediatric Emergency Care - May 2019







## CHA Special Interest Groups (SIGs)












The SIGs enable individuals to readily connect and share their passion for excellence in one or more areas of children's healthcare. Below is an example of information sharing and innovation from one of our member hospitals to each of our 15 SIGs:

### SIG Name

### Priority topics discussed:

|   |   |   |
|---|---|---|
| Allied Health                                 |  | Improving access to allied health through telehealth services. Additionally, the introduction of NDIS hospital service coordinators and the changing role of hospitals in this space. |
| Child & Adolescent Mental Health              |  | Models of care for bringing mental health expertise into paediatric wards. Also, multidisciplinary discussions on managing increase of dysregulated behaviours in paediatric wards.   |
| Child & Family Centred Care                   |  | Responsibilities of institutions for the implementation of Child Safe Standards. Additionally, the challenges of supporting and maintaining consumer engagement.                      |
| Children's Hospitals Performance & Efficiency |  | Funding issues for Paediatric Services; such as programs for kids with tracheostomies. Also, comparing information related to Hospital-Acquired Complications.                        |

**SIG Name****Priority topics discussed:**

|  |   |  |
|--|---|--|
| Complex Care                             |    | Effective models of care for hospital avoidance for complex children. As well as managing parental expectation, grief, loss and complex care patients.   |
| Directors of Nursing Paediatric Services |    | New graduate programs - building competence in the care of children. Additionally, Standard 2 - what, why, when and how can we partner with children & families more effectively?                                |
| Medication Safety                        |    | The National Paediatric Medicines Formulary Project - equity of access to medicines and consistency of treatment. In addition to Opioid Stewardship - High Risk Drug list development.                           |
| NICU & Special Care Nurseries            |    | Nasal high flow and considering parental stress. Also, nursing workload and financial cost for care of newborn infants in the non-tertiary setting.  |
| Paediatric Educators                     |   | Transitioning nurses trained in care of adults to be safe and confident in the care of children. Additionally, post graduate programs for paediatric nursing.  |
| Paediatric Emergency Care                |  | The profile of ED workforce caring for children, comparing ratios of medical nursing and allied health per 1,000 paediatric presentation.  |
| Paediatric Nurse Unit Managers           |  | How to support staff to safely and appropriately respond to children and adolescents with dysregulated behaviour on a paediatric ward.   |
| Paediatric Safety & Quality              |  | Implications of the Care Track Kids Study - the investigation found significant gaps in the reliability of best practice care. Strategies for engaging staff in understanding and meeting new NSQHS Standards.   |
| Paediatric Units                         |  | Models of care for engaging mental health professionals in the care of children on general paediatric wards. Additionally, reducing readmission: improving discharge process. Reducing outpatient waiting lists. |
| Safety Alerts                            |  | Sharing alerts intended to prevent harms to children associated with a medication, technology or device.   |
| Transition of Care                       |  | Transition Youth Mentors - peer to peer support. In addition to discussing identifying young people from vulnerable backgrounds and how best to provide access to services.                                      |

# Recent CHA Events

Celebrating collaboration and networking with peers

**CHA's Face to Face meetings provide an invaluable opportunity to connect with and learn from peers**

*"Thank you for the stimulating intellectual conversations generated by the CHA forum, I feel privileged to be supported and surrounded by so much knowledge and expertise"*

*Evaluation from the CHA Paediatric Units Face to Face Insight Forum from 13-14 November 2018*

## CHA Paediatric Units 13-14 November 2018, Sydney Highlights

- Discussion on the CHA Pilot Audit on Bronchiolitis – what have we learned and where to from here?
- Creating Child Safe organisations for children
- How to better care for children with mental healthcare needs
- Building capacity in healthcare services to better support parents to enhance mental health of children

## CHA Medication Safety 26-27 July 2018, Brisbane Highlights

- The joint day between the Safety & Quality and Medication Safety SIGs was a fantastic opportunity to jointly discuss "what does it take to achieve and sustain change in light of adverse outcomes?"
- Presentations on the relationships between systems and human behaviour in the effort to reliably achieve medication safety for children.
- Steve Waller from ACSQH presented on WHO's Global Challenge to reducing medication harm by 50%.
- Challenges of medication safety for children in adult services from 3 angles – Environmental, Process and Education.

## CHA Paediatric Emergency Care 16 - 17 May 2019, Brisbane Highlights

- Recruiting & retaining paediatric expertise in busy EDs.
- Partnering with families.
- Innovations in Models of Care to improve flow, safety & satisfaction in EDs.
- Nurturing your ED team - how to have fun despite the pressure and deliver the best care.

## CHA Directors of Nursing 12 November 2018, Sydney Highlights

- Commenced by examining "What is keeping you awake at night" - challenges facing Directors of Nursing in paediatric services.
- Provided opportunity for open, robust discussion on effective ways of enhancing the performance of their services for children and their families.
- Key focus on:
  - Nursing workforce - recruitment, professional development and preventing burnout.
  - Managing peak demand, escalation and patient flow.
  - Child protection, establishing effective clinical governance and service design.



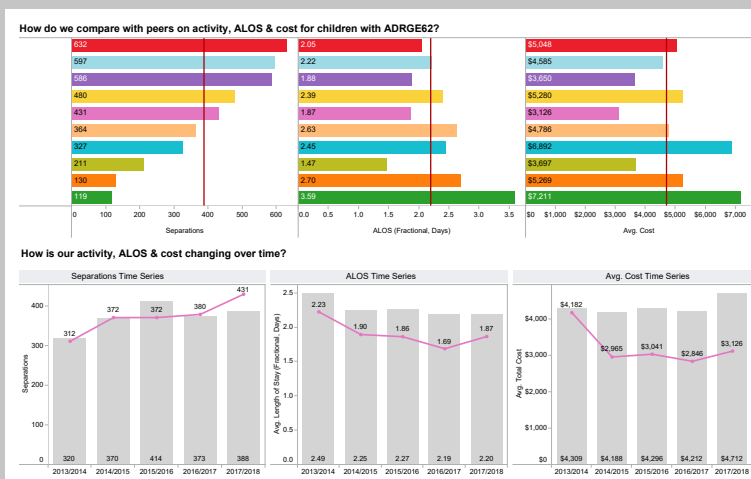
# Benchmarking to Enhance Performance

The CHA Benchmarking program is the only children's health benchmarking program in Australia and New Zealand dedicated specifically to helping paediatric services to enhance their performance in the care of children & young people. It provides information on trends that might not otherwise be apparent at service level. It assists members to identify areas where their service's performance is strong, and areas where there are opportunities for improvement in comparison to peer services of similar size and capability. Our members are generous in sharing with their peers' insights, expertise, tools and resources related to new models of care or other improvements revealed in the benchmarking data.

The only benchmarking program in Australasia that compares your hospital with similar sized paediatric services: small, medium or large.

## Access to the CHA Benchmarking program includes:

- Tailored individual activity & costing benchmarking reports annually comparing the efficiency of care for similar children.
- Benchmarking CHA Dashboard Indicators monitoring clinical effectiveness and efficiency. The indicators allow service managers to pinpoint areas of their service's performance that may warrant further investigation or action.
- CHA tailored activity & costing data dashboards to assist members to quickly identify how their service is performing in comparison with peer services in terms of separation, length of stay, same day admission, urgent readmission rate within 28 days, average cost, hospital-acquired complications and variations in the principal diagnosis and/or principal procedures.
- Access to regular benchmarking data analytics via our secure online data portal.
- Participation in the Children's Hospitals Performance & Efficiency SIG (tertiary services only).



The CHA benchmarking program makes it quick and easy to identify opportunities to improve models of care and lower costs.

For which ADRGs is there the greatest potential to reduce costs?



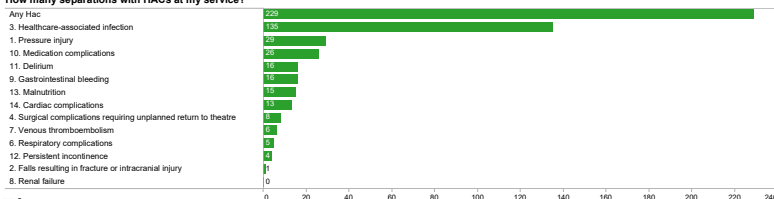
Figure 1.1

CHA helps you target potential cost savings diagnosis for high volume groups of children at your service. You can see at a glance the areas of potential for efficiency savings in comparison to your peers caring for similar children.

Which HAC has highest volume at my service compared with peers?

| Any Hac   | 1.412% | 1.517% | 0.860% | 1.525% | 0.897% | 1.168% | 1.278% |
|---|--------|--------|--------|--------|--------|--------|--------|
| 3. Healthcare-associated infection                              | 0.832% | 0.875% | 0.436% | 0.971% | 0.515% | 0.680% | 0.771% |
| 14. Cardiac complications                                       | 0.007% | 0.196% | 0.119% | 0.224% | 0.119% | 0.207% | 0.183% |
| 10. Medication complications                                    | 0.160% | 0.196% | 0.150% | 0.087% | 0.062% | 0.170% | 0.136% |
| 1. Pressure injury  | 0.179% | 0.157% | 0.071% | 0.152% | 0.067% | 0.079% | 0.119% |
| 4. Surgical complications requiring unplanned return to theatre | 0.049% | 0.078% | 0.079% | 0.091% | 0.091% | 0.065% | 0.078% |
| 9. Gastrointestinal bleeding                                    | 0.099% | 0.127% | 0.037% | 0.070% | 0.038% | 0.091% | 0.079% |
| 13. Malnutrition  | 0.092% | 0.046% | 0.025% | 0.124% | 0.014% | 0.062% | 0.068% |
| 11. Delirium  | 0.099% | 0.052% | 0.021% | 0.096% | 0.019% | 0.091% | 0.066% |
| 6. Respiratory complications                                    | 0.031% | 0.042% | 0.050% | 0.033% | 0.076% | 0.057% | 0.047% |
| 7. Venous thromboembolism                                       | 0.037% | 0.016% | 0.000% | 0.024% | 0.010% | 0.051% | 0.024% |
| 12. Persistent incontinence                                     | 0.025% | 0.003% | 0.008% | 0.007% | 0.014% | 0.003% | 0.008% |
| 2. Falls resulting in fracture or intracranial injury           | 0.006% | 0.003% | 0.000% | 0.002% | 0.000% | 0.000% | 0.002% |
| 8. Renal failure  | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% |

How many separations with HACs at my service?



CHA has collected all diagnosis and procedures (ICD level data) for Inpatients from all CHA members. This enables analysis of variations in care as well as comparative rates of Hospital-Acquired Complications (HACs).

Figure 1.2

CHA has extended its Activity & Costing Benchmarking to Emergency Department (ED) and Outpatient data.

ED Benchmarking includes summary tables and charts for selected Major Diagnostic Blocks in terms of:

- Overall number of presentations;
- Number of children who presented by major diagnosis;
- Number and rate of re-presentations to the ED;
- Average waiting times & length of stay in ED by triage category;
- Admission rate; and
- Average costs.

MDB 2BA Injury, single site, minor

ED Presentations & ED Patient Presentation Times for 2017/2018

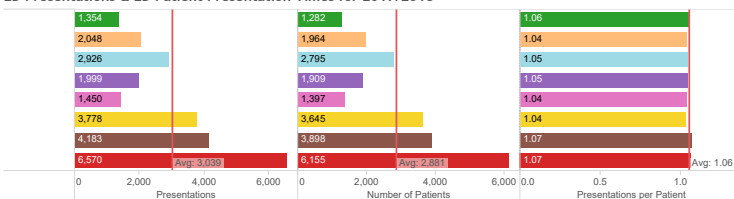


Figure 1.3

# Advocacy

CHA plays an active role in advocating on behalf of children's hospitals and paediatric units on national policies and projects impacting children's healthcare in Australia. We develop submissions in consultation with our members on issues of common interest or concerns.



## **In the past 12 months CHA has contributed to submissions on the following:**

- Consultation on a National Action Plan for the Health of Children and Young People.
- Proposed changes to regulations related to Cost Recovery for Listings on the Pharmaceutical Benefits Scheme.
- Advocating to ministers for the Removal of Children & Families from Immigration Detention on Nauru.
- Submission to the Independent Hospital Pricing Authority on Australian Non-Admitted Care Classification and the Development of an Australian Emergency Care Classification.
- Engagement with ACSQHC on the World Health Organisation Global Challenge on Medication without Harm.
- Submission to ACSQHC on comprehensive care planning issues specific to children & adolescents.
- Options for a regulatory response in the Prescription strong (Schedule 8) opioid use and misuse in Australia.
- Consultation Paper on the Pricing Framework for Australian Public Hospital Services 2019-20.
- Contributing to the ANMAC Review of Nursing Education Standards to encourage greater access to training in paediatric care.
- Consultation on a certification framework for digital mental health services.
- Submission on the IHPA stakeholder consultation paper for the Pricing Framework for Australian Public Hospital Services 2020-21.

CHA has also participated in the National workshop on the Australian Emergency Care Classification (AECC) and supported calls for greater investment in the First Thousand Days of a child's life. As well as participating in meeting with the Australian Digital Health Agency on E-Health and Child Protection.



# CHILDREN'S HEALTHCARE

AUSTRALASIA

LIMITED

ABN: 36 006 996 345

(A Company Limited by Guarantee)

## FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

### CONTENTS

|   | PAGE NO |
|---|---------|
| Directors' Report .....   | 2 - 3   |
| Financial Statements:   |         |
| • Statement of Profit and Loss and Other Comprehensive Income ..... | 4       |
| • Statement of Changes in Equity .....                              | 4       |
| • Statement of Financial Position .....                             | 5       |
| • Statement of Cash Flows .....                                     | 6       |
| • Notes to & Forming Part of the Financial Statements .....         | 7 - 13  |
| Directors' Declaration .....  | 14      |
| Auditor's Independence Declaration .....                            | 15      |
| Independent Audit Report to the Members .....                       | 16 - 17 |
| Supplementary Information .....                                     | 18 - 19 |



# CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED

ABN: 36 006 996 345

## DIRECTORS' REPORT

Your Directors present their report on the Company for the year ended 30 June 2019.

### Directors

The following persons held office during or since the end of the financial year:

|                        |                      |                     |
|------------------------|----------------------|---------------------|
| Mr John Stanway        | Dr Michael Brydon    | Dr Dimi Simatos     |
| Ms Fionnagh Dougan     | Dr Paul Craven       | Mr Sean Turner      |
| Ms Emma Maddren        | Mr Clinton Griffiths | Dr Carola Wittekind |
| Dr Annie Moulden       | Dr Keith Howard      |                     |
| Prof Patricia Davidson | Ms Nicola Scott      |                     |

During the financial year, 4 meetings were held. The number of meetings attended and number of meetings eligible to attend were:

|                        |            |                      |            |                     |            |
|------------------------|------------|----------------------|------------|---------------------|------------|
| Mr. John Stanway       | 4 out of 4 | Dr Michael Brydon    | 2 out of 4 | Dr Dimi Simatos     | 1 out of 4 |
| Ms Fionnagh Dougan     | 3 out of 4 | Dr Paul Craven       | 1 out of 1 | Mr Sean Turner      | 3 out of 3 |
| Ms Emma Maddren        | 4 out of 4 | Mr Clinton Griffiths | 4 out of 4 | Dr Carola Wittekind | 4 out of 4 |
| Dr Annie Moulden       | 4 out of 4 | Dr Keith Howard      | 1 out of 1 |                     |            |
| Prof Patricia Davidson | 3 out of 3 | Ms Nicola Scott      | 3 out of 4 |                     |            |

### Current Directors Qualifications:

- **Mr John Stanway** BEc, Grad Dip IR, FAICD Chief Executive Officer The Royal Children's Hospital President of CHA March 2019 to current
- **Ms Emma Maddren** BSLT, PGDip Bus (endorsed towards MMgt), General Manager, Starship Child Health, Auckland District Health Board, Auckland, NZ
- **Dr Annie Moulden** OAM MBBS FRACP GAICD Paediatrician; Clinical Lead, Victorian Paediatric Clinical Network; Medical Lead, Quality & Safety, Royal Children's Hospital, Melbourne
- **Mr Sean Turner** BPharm, MSc, Director of Pharmacy. Women's & Children's Health Network SA
- **Dr Carola Wittekind** MBBS FRACP MHA GradCertMedEd, Lecturer University of Sydney, Northern Clinical School, Head Department of Paediatrics, Royal North Shore Hospital, Sydney, NSW
- **Mr Clinton Griffiths** BA, RN, PG Cert Paediatric Nursing, PG Dip Business Mgmt, PG Cert Health Sys Mgmt, Nurse Unit Manager; Paediatric & Adolescent Unit, Ballarat Health Service
- **Dr Michael Brydon** MBBS, FRACP, Master of Paediatrics, Master of Health Administration, Chief Executive, Sydney Children's Hospitals Network
- **Dr Dimi Simatos** Director of Paediatrics, Eastern Health. MBChB, FRACP, Prof Certificate Health Systems Management, BSc (Hons)
- **Ms Nicola Scott** PG cert Child & Family Hlth, PG Dip Hlth Sci, PG cert Leadership & Management, PG cert Nsg Sci; Charge Nurse Manager, Paediatric Outpatient/Daystay/Outreach Service
- **Dr Paul Craven** BSc, MBBS, MRCP UK, FRACP Executive Director, Children, Young People and Families Services, HNE Local health District, NSW.

### Resigned or retired during 2018-19 year (details at time of service to CHA Board):

- **Ms Fionnagh Dougan** BA(Hons), Communication & Mass Media, PG Dip Mgmt, Registered Mental Health Nurse (RMN), Registered Nurse (RN), While on Board- Chief Executive, Children's Health Queensland Hospital and Health Service. Graduate of the Australian Institute of Company Directors (GAICD) and Adjunct Prof UQ. President March 2018 to March 2019
- **Prof Patricia Davidson** MD FRACS FRCP FRCS, Executive Director, Children, Young People and Families Services and Clinical Networks, Hunter New England Local Health District; Professor of Paediatric Surgery (cjt) University of Newcastle. President until March 2018.
- **Dr Keith Howard** MBBS, FRCPCH, Clinical Lead NSW Children's Hospital Network Northern, Regional Paediatrician working in Hunter New England. Committee member of NSW paediatric Safety and Quality Committee and of NSW CEC Advisory Group for the Deteriorating Patient.

# CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED

ABN: 36 006 996 345

## DIRECTORS' REPORT (Continued)

### Principal Activities

The principal activities of the Company during the financial year are concerned with supporting children's hospitals and health services to achieve excellence in clinical care through advocacy, networking, benchmarking and the sharing of knowledge and evidence underpinning best practice.

### Results and Review of Operations

For the year ended 30 June 2019, the net result of operations was a deficit of \$6,495 following a \$61,565 surplus for the year ended 30 June 2018.

### Objectives and Strategies of the Company:

The company's short-term objectives are to:

- advocate on the pricing and classification of children's healthcare
- deliver annual benchmarking workshops and reports to members
- host a high quality dedicated children's healthcare conference
- facilitate networking among members via Special Interest Groups
- increase CHA's membership by retaining existing members and attracting new ones

The company's long-term objectives are to:

- undertake advocacy to enhance children's healthcare
- further enhance the quality of our benchmarking program
- support member health services to effectively involve consumers and parents/carers in their healthcare
- showcase best practice and innovation
- facilitate the application of bi-national quality & safety indicators for children, young people & their families
- deliver high quality multidisciplinary education and training opportunities to children's healthcare professionals

To achieve these objectives, the company has adopted the strategies outlined in CHA's strategic plan for 2016-2020.

### State of affairs and likely developments

No significant change in the state of affairs of the Company occurred during the financial year. The Directors believe there are no likely developments that will impact on the future normal operations of the Company.

### Dividends – Not Required

The Company is limited by guarantee and is prohibited by its objects from distributing any surplus to the members. Accordingly no dividend has been paid or declared for the year by the Company since the end of the previous financial year and up to the date of this report.

### Events subsequent to balance date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction, or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

Signed in accordance with a resolution of the Directors.



Mr John Stanway  
President

20 September 2019



Dr Annie Moulden  
Vice President

20 September 2019

# CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED

ABN: 36 006 996 345

## STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

|   | Note | 2019<br>\$     | 2018<br>\$    |
|---|------|----------------|---------------|
| <b>Income</b>   |      |                |               |
| Revenue and Other Income  | 2    | 694,052        | 660,308       |
| <b>Expenditure</b>  |      |                |               |
| Accountancy expenses  |      | (3,600)        | (3,000)       |
| A&C Benchmarking  |      | (10,513)       | (3,164)       |
| Auditors' remuneration  |      | (3,449)        | (4,224)       |
| Bad debts   |      | -              | (2,137)       |
| Collaborative expenses  |      | -              | (30,231)      |
| Computer and website expenses   |      | (50,899)       | (23,251)      |
| Consultancy fees  |      | (7,000)        | -             |
| Depreciation and amortisation expense                                   |      | (27,042)       | (16,200)      |
| Improvements Officer  |      | (28,000)       | -             |
| Interest expense  |      | (153)          | (1,090)       |
| Secretariat expenses  |      | (471,000)      | (426,204)     |
| Meeting and project expenses  |      | (57,681)       | (33,092)      |
| Travelling expenses   |      | (13,445)       | (13,789)      |
| Other expenses  |      | (27,765)       | (42,361)      |
| <b>Surplus/(Deficit) for the year before income tax</b>                 |      | <b>(6,495)</b> | <b>61,565</b> |
| Income tax expense  | 1    | -              | -             |
| <b>Surplus/(Deficit) for the year after income tax</b>                  |      | <b>(6,495)</b> | <b>61,565</b> |
| <b>Other Comprehensive income</b>                                       |      | <b>-</b>       | <b>-</b>      |
| <b>Total comprehensive income attributable to members of the entity</b> |      | <b>(6,495)</b> | <b>61,565</b> |

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

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

|                                 | Retained Earnings<br>\$ |
|---------------------------------|-------------------------|
| <b>Balance at 1 July 2017</b>   | <b>345,657</b>          |
| Surplus attributable to members | 61,565                  |
| <b>Balance at 30 June 2018</b>  | <b>407,222</b>          |
| Deficit attributable to members | (6,495)                 |
| <b>Balance at 30 June 2019</b>  | <b>400,727</b>          |

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

# CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED

ABN: 36 006 996 345

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

|                                  | Note | 2019<br>\$     | 2018<br>\$     |
|----------------------------------|------|----------------|----------------|
| <b>ASSETS</b>                    |      |                |                |
| <b>CURRENT ASSETS</b>            |      |                |                |
| Cash and cash equivalents        | 4    | 418,755        | 357,718        |
| Trade and other receivables      | 5    | 25,862         | 49,735         |
| Other current assets             | 6    | 13,516         | 2,064          |
| <b>TOTAL CURRENT ASSETS</b>      |      | <b>458,133</b> | <b>409,517</b> |
| <b>NON-CURRENT ASSETS</b>        |      |                |                |
| Intangible assets                | 7    | 12,435         | 22,017         |
| Property, plant and equipment    | 8    | 316,487        | 326,114        |
| <b>TOTAL NON-CURRENT ASSETS</b>  |      | <b>328,922</b> | <b>348,131</b> |
| <b>TOTAL ASSETS</b>              |      | <b>787,055</b> | <b>757,648</b> |
| <b>LIABILITIES</b>               |      |                |                |
| <b>CURRENT LIABILITIES</b>       |      |                |                |
| Trade and Other Payables         | 9    | 30,153         | 87,604         |
| Borrowings                       | 10   | 2,852          | 6,239          |
| Other current liabilities        | 11   | 353,323        | 256,583        |
| <b>TOTAL CURRENT LIABILITIES</b> |      | <b>386,328</b> | <b>350,426</b> |
| <b>TOTAL LIABILITIES</b>         |      | <b>386,328</b> | <b>350,426</b> |
| <b>NET ASSETS</b>                |      | <b>400,727</b> | <b>407,222</b> |
| <b>EQUITY</b>                    |      |                |                |
| Retained surplus                 |      | 400,727        | 407,222        |
| <b>TOTAL EQUITY</b>              |      | <b>400,727</b> | <b>407,222</b> |

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



# CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED

ABN: 36 006 996 345

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

|   | Note     | 2019           | 2018             |
|---|----------|----------------|------------------|
|   |          | \$             | \$               |
| <b>Cash flows from operating activities</b>                 |          |                |                  |
| Receipts from members, trade and other debtors              |          |                |                  |
| - including GST   |          | 869,135        | 712,243          |
| Payments to suppliers                                       |          |                |                  |
| - including GST   |          | (804,403)      | (654,465)        |
| Interest received   |          | 7,524          | 5,521            |
| <b>Net cash flows from operating activities</b>             |          | <b>72,256</b>  | <b>63,299</b>    |
| <br><b>Cash flows from investing activities</b>             |          |                |                  |
| Payment for property, plant & equipment & intangible assets |          | (7,833)        | (332,362)        |
| <b>Net cash flows from investing activities</b>             |          | <b>(7,833)</b> | <b>(332,362)</b> |
| <br><b>Cash flows from financing activities</b>             |          |                |                  |
| Movement in related party loan                              |          | (3,407)        | (15,904)         |
| Proceeds from bank loan                                     |          | 390            | 164,500          |
| Repayment of bank loan                                      |          | (369)          | (163,279)        |
| <b>Net cash flows from financing activities</b>             |          | <b>(3,386)</b> | <b>(14,683)</b>  |
| <br>Net (decrease) / increase in cash and cash equivalents  |          | 61,037         | (283,746)        |
| Cash and cash equivalents at beginning of period            |          | 357,718        | 641,464          |
| <b>Cash and cash equivalents at end of period</b>           | <b>4</b> | <b>418,755</b> | <b>357,718</b>   |

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

# CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED

ABN: 36 006 996 345

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

### 1 Statement of Significant Accounting Policies

The financial statements cover Children's Healthcare Australasia Limited as an individual entity. Children's Healthcare Australasia Limited is a Company limited by guarantee, incorporated and domiciled in Australia. The principal place of business and registered office of the Company is Unit 9, 25-35 Buckland Street, Mitchell, ACT, 2911.

#### Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*. The Company is classified as a Tier 2 reporting entity under Australian Accounting Standards.

#### Change in Accounting Policy

##### *Financial Instruments - Adoption of AASB 9*

The Company has adopted AASB 9 Financial Instruments for the first time in the current year. As part of the adoption of AASB 9, the Company adopted consequential amendments to other accounting standards arising from the issue of AASB 9 as follows:

- AASB 101 Presentation of Financial Statements requires the impairment of financial assets to be presented in a separate line item in the statement of profit or loss and other comprehensive income. In the comparative year, this information was presented as part of other expenses.
- AASB 7 Financial Instruments: Disclosures requires amended disclosures due to changes arising from AASB 9, these disclosures have been provided for the current year.

The key changes to the Company's accounting policy and the impact on these financial statements from applying AASB 9 are described below.

Changes in accounting policies resulting from the adoption of AASB 9 have been applied retrospectively except the Company has not restated any amounts relating to classification and measurement requirements including impairment which have been applied from 1 July 2018.

##### *Classification of financial assets*

The financial assets of the Company have been classified into the 'Measured at amortised cost' category on adoption of AASB 9 based on primarily the business model in which a financial asset is managed and its contractual cash flow characteristics.

##### *Impairment of financial assets*

The incurred loss model from AASB 139 has been replaced with an expected credit loss model in AASB 9 for assets measured at amortised cost, contract assets and fair value through other comprehensive income. This has had no effect for the recognition of credit loss (bad debt provisions).

#### **Accounting Policies**

##### **Income Tax**

The Company is registered as an income tax exempt health promotion charitable entity under section 50 of the *Income Tax Assessment Act, 1997*. Consequently, no provision for taxation has been made in the financial statements.

# CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED

ABN: 36 006 996 345

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (Continued)

### 1 Statement of Significant Accounting Policies (Continued)

#### Financial Instruments

##### *Initial Recognition and Measurement*

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

##### *Impairment of Assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost. When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information. The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk. The Company uses the presumption that a financial asset is in default when the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held). Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach. At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

##### *Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default. The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance. Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

##### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

##### *Financial liabilities*

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method. The financial liabilities of the Company comprise trade payables, bank and related party loans.

# CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED

ABN: 36 006 996 345

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (Continued)

### 1 Statement of Significant Accounting Policies (Continued)

#### Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment. Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

##### **Buildings and Office Fitout**

Buildings and office fitout are measured using the cost model.

##### **Plant and Equipment**

Plant and equipment are measured using the cost model.

##### **Depreciation**

Property, plant and equipment is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use. Buildings have not been depreciated as its value is expected to increase over time. Regular valuations of the property will be obtained to ensure the value of the property is not over stated in the financial statements.

The depreciation rates used for each class of depreciable asset are shown below:

| Fixed asset class   | Depreciation rate |
|---------------------|-------------------|
| Buildings           | 0%                |
| Office Fitout       | 2.5% to 40%       |
| Plant and Equipment | 20% to 100%       |

#### Intangible Assets - Website

The website has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of three years.

#### Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

#### Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied. Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Interest revenue is recognised using the effective interest rate method.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

All revenue is stated net of the amount of goods and services tax (GST).



# CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED

ABN: 36 006 996 345

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (Continued)

### 1 Statement of Significant Accounting Policies (Continued)

#### Trade and Other Payables

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the Company that remain unpaid. Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

#### Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). 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 ATO is included with other receivables or payables in the statement of financial position.

#### Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

#### Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards – Reduced Disclosure Requirements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. There are no areas that involve a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements other than those described in the above accounting policies.

#### Adoption of New and Revised Accounting Standards

The Company has adopted all standards which became effective for the first time at 30 June 2019, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

# CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED

ABN: 36 006 996 345

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (Continued)

|  | 2019           | 2018           |
|--|----------------|----------------|
|  | \$             | \$             |
| <b>2 Revenue and Other Income</b>  |                |                |
| <b>Revenue</b>   |                |                |
| Sales revenue:   |                |                |
| Rendering of services  | 686,528        | 654,787        |
| Other revenue:   |                |                |
| Interest received  | 7,524          | 5,521          |
| Total revenue  | <u>694,052</u> | <u>660,308</u> |
| <b>3 Surplus/(Deficit) for the year</b>  |                |                |
| Surplus/(Deficit) before income tax from continuing operations includes the following specific expenses:                                     |                |                |
| <b>Expenses</b>  |                |                |
| Bad debts  | -              | 2,137          |
| Depreciation of property, plant and equipment  | 17,460         | 10,438         |
| Amortisation of website  | 9,582          | 5,762          |
|  | <u>27,042</u>  | <u>16,200</u>  |
| <b>4 Cash and Cash Equivalents</b>   |                |                |
| Cash at Bank   | 261,802        | 244,717        |
| Short Term Deposits  | 156,953        | 113,001        |
|  | <u>418,755</u> | <u>357,718</u> |
| <b>5 Trade and Other Receivables</b>   |                |                |
| <b>Current</b>   |                |                |
| Trade Debtors  | 8,453          | 5,681          |
| Input Tax Credits  | 17,409         | 44,054         |
|  | <u>25,862</u>  | <u>49,735</u>  |
| The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short term nature of the balances. |                |                |
| The Company does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.        |                |                |
| The other classes of receivables do not contain impaired assets.   |                |                |
| <b>6 Other Current Assets</b>  |                |                |
| Prepayments  | <u>13,516</u>  | <u>2,064</u>   |

# CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED

ABN: 36 006 996 345

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019 (Continued)

|                            | 2019          | 2018          |
|----------------------------|---------------|---------------|
|                            | \$            | \$            |
| <b>7 Intangible Assets</b> |               |               |
| Website                    | 28,750        | 40,380        |
| Accumulated Amortisation   | (16,315)      | (18,363)      |
| Total                      | <u>12,435</u> | <u>22,017</u> |

### Reconciliation of Intangible Assets

|  |               |               |
|--|---------------|---------------|
| Opening Balance                        | 22,017        | 13,404        |
| Additions during the year              | -             | 14,375        |
| Depreciation for the year              | (9,582)       | (5,762)       |
| Closing carrying value at 30 June 2019 | <u>12,435</u> | <u>22,017</u> |

## 8 Property, Plant and Equipment

|  |                |                |
|--|----------------|----------------|
| Buildings at cost – Unit 9, 25-35 Buckland St Mitchell | <u>235,054</u> | <u>235,054</u> |
| Office Fitout at cost                                  | 84,322         | 80,176         |
| Less: Accumulated Depreciation                         | (11,900)       | (1,877)        |
|  | <u>72,422</u>  | <u>78,299</u>  |
| Plant & Equipment at cost                              | 42,455         | 38,768         |
| Less: Accumulated Depreciation                         | (33,444)       | (26,007)       |
|  | <u>9,011</u>   | <u>12,761</u>  |
| <b>Total Property, Plant and Equipment</b>             | <u>316,487</u> | <u>326,114</u> |

### Reconciliation of Property, Plant and Equipment

|  | Buildings      | Office Fitout | Plant & Equipment | Total          |
|--|----------------|---------------|-------------------|----------------|
| Opening carrying value                 | 235,054        | 78,299        | 12,761            | 326,114        |
| Additions during the year              | -              | 4,146         | 3,687             | 7,833          |
| Depreciation for the year              | -              | (10,023)      | (7,437)           | (17,460)       |
| Closing carrying value at 30 June 2019 | <u>235,054</u> | <u>72,422</u> | <u>9,011</u>      | <u>316,487</u> |

### Buildings

The Company has a 50% share in buildings at Unit 9, 25-35 Buckland St Mitchell with Women's Hospitals Australasia Incorporated.

### Non-current assets pledged as security

Refer to Note 10 for information on non-current assets pledged as security by the Company.

## 9 Trade and Other Payables

### Current

|                        |               |               |
|------------------------|---------------|---------------|
| Trade Creditors        | 365           | -             |
| Other Creditors        | 1,377         | 59,890        |
| Other Current Payables | 4,251         | 4,483         |
| GST Payable            | <u>24,160</u> | <u>23,231</u> |
|                        | <u>30,153</u> | <u>87,604</u> |

**CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED**

ABN: 36 006 996 345

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019 (Continued)**

|                                  | 2019         | 2018         |
|----------------------------------|--------------|--------------|
|                                  | \$           | \$           |
| <b>10 Borrowings</b>             |              |              |
| <b>Current</b>                   |              |              |
| Unsecured Loan – Related Parties | 1,611        | 5,018        |
| Secured Loan – Bank Loan         | <u>1,241</u> | <u>1,221</u> |
|                                  | <u>2,852</u> | <u>6,239</u> |

**Security for Borrowings**

The bank loan is secured by First Registered Mortgage over the Company's 50% share of the property located at Unit 9, 25-35 Buckland St Mitchell.

**Finance Facilities**

The bank loan has a facility of \$164,500 of which \$1,241 was used as at 30 June 2019. The Company has two credit card facilities with the Commonwealth Bank, which includes a joint credit card held with Women's Hospitals Australasia Incorporated (WHA). Consequently, the Company has a credit facility of \$10,000 being a \$5,000 corporate credit card facility and a \$5,000 facility held jointly by WHA and the Company.

**Related Parties Loan**

The loan is for shared costs paid for on behalf of the Company by Women's Hospitals Australasia Incorporated.

**11 Other Liabilities****Current**

|                   |                |                |
|-------------------|----------------|----------------|
| Income in Advance | <u>353,323</u> | <u>256,583</u> |
|-------------------|----------------|----------------|

**12 Events After Balance Sheet Date**

There has not been any matter or circumstance that has arisen since the end of the financial year which has significantly affected, or may significantly affect, the operations of the Company or the results of those operations, or the state of the Company in future years.

**13 Commitments**

The Company does not have any Lease or other similar commitments.

**14 Member Funds**

The Company is limited by guarantee. In the event of winding-up, the Company Constitution states that each member is required to contribute a maximum of \$200.00 towards meeting any outstanding obligations of the Company. The number of members as at 30 June 2019 was 92 (2018: 88).

**15 Related Party Transactions**

The Directors receive no remuneration from the Company in respect of the management of the Company other than reimbursement for expenses incurred and per diem allowances for attending directors meetings. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

**CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED**

ABN: 36 006 996 345

**DIRECTORS' DECLARATION**

The Directors of the Company declare that:

1. The financial statements and notes, as set out in the financial report are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - a. complying with Australian Accounting Standards as disclosed in Note 1; and
  - b. complying with Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2013*; and
  - c. give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the Company.
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.

Signed in accordance with a resolution of the Directors.



Mr John Starway  
President

28<sup>th</sup> September 2019



Dr Annie Moulden  
Vice President

28<sup>th</sup> September 2019





**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF  
CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED**

As auditor of Children's Healthcare Australasia Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

- (a) No contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* (Cth) in relation to the audit; and
- (b) No contraventions of any applicable code of professional conduct in relation to the audit.

**KOTHES**  
**Chartered Accountants**

SIMON BYRNE  
Registered Company Auditor (# 153624)  
Partner  
Canberra, September 2019



DIRECTORS  
**Simon Byrne**  
**Fiona Dunham**  
**Peter Mann**  
**Gary Pearce**  
**Kevin Philistin**  
**Gary Skelton**

BECA  
MERIMBULA  
EDEN  
BOMBALA  
BERMAGUI  
COOMA  
JINDABYNE

T 02 6491 6491  
admin@kothes.com.au  
77 Main St, Merimbula NSW 2548  
PO Box 285 Merimbula NSW 2548  
www.kothes.com.au  
Kothes Chartered Accountants  
ABN 36 472 755 795

Independent Regional Member of Walker Wayland Australasia Limited, a network of independent accounting firms

## INDEPENDENT AUDIT REPORT TO THE MEMBERS OF CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Children's Healthcare Australasia Limited (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other 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 accompanying financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 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 Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and 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

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the annual report, (but does not include the financial report and our 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. 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 on the other information obtained prior to the date of this auditor's report, 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 Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors 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, the directors are responsible for assessing the Company'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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## **INDEPENDENT AUDIT REPORT TO THE MEMBERS OF CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED (Continued)**

### **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 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **KOTHES**

#### **Chartered Accountants**

SIMON BYRNE  
Registered Company Auditor (# 153624)  
Partner  
Canberra, September 2019



## **SUPPLEMENTARY INFORMATION**

### **30 JUNE 2019**

The additional financial data presented on the following page is in accordance with the books and records of the Children's Healthcare Australasia Limited which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 30 June 2019. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

In accordance with our firm's policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the Company) in respect of such data, including any errors or omissions therein, arising through negligence or otherwise however caused.

**KOTHES**  
**Chartered Accountants**

SIMON BYRNE  
Registered Company Auditor (# 153624)  
Partner  
Canberra, September 2019



DIRECTORS  
**Simon Byrne**  
**Fiona Dunham**  
**Peter Mann**  
**Gary Pearce**  
**Kevin Philistin**  
**Gary Skelton**

BEGA  
MERIMBULA  
EDEN  
BOMBALA  
BERMAGUI  
COOMA  
JINDABYNE

T 02 6491 6491  
admin@kothes.com.au  
77 Main St, Merimbula NSW 2548  
PO Box 285 Merimbula NSW 2548  
www.kothes.com.au  
Kothes Chartered Accountants  
ABN 36 472 755 795

Independent Regional Member of Walker Wayland Australasia Limited, a network of independent accounting firms

# CHILDREN'S HEALTHCARE AUSTRALASIA LIMITED

ABN: 36 006 996 345

## INCOME & EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

|  | 2019<br>\$            | 2018<br>\$           |
|--|-----------------------|----------------------|
| <b>INCOME</b>                              |                       |                      |
| Membership Fees                            | 628,177               | 606,950              |
| Conference, Meetings & Forums Income       | 52,952                | 47,837               |
| Other Income                               | 5,399                 | -                    |
|  | <u>686,528</u>        | <u>654,787</u>       |
| <b>OTHER INCOME</b>                        |                       |                      |
| Interest Received                          | 7,524                 | 5,521                |
|  | <u>694,052</u>        | <u>660,308</u>       |
| <b>EXPENSES</b>                            |                       |                      |
| Accountancy Fees                           | 3,600                 | 3,000                |
| A&C Benchmarking                           | 10,513                | 3,164                |
| Advertising                                | -                     | 244                  |
| Archives                                   | 461                   | 347                  |
| Auditing                                   | 3,449                 | 4,224                |
| Bad Debts                                  | -                     | 2,137                |
| Bank Charges                               | 1,501                 | 3,311                |
| Body Corporate                             | 720                   | 511                  |
| Collaboratives                             | -                     | 30,231               |
| Computer Costs                             | 45,269                | 17,915               |
| Consultancy                                | 7,000                 | -                    |
| Depreciation and amortisation              | 27,042                | 16,200               |
| Electricity                                | 2,374                 | 2,143                |
| Improvement Officer                        | 28,000                | -                    |
| Insurance                                  | 4,547                 | 5,052                |
| Interest                                   | 153                   | 1,090                |
| Legal & Professional Fees                  | -                     | 568                  |
| Meeting & Forum Expenses                   | 57,681                | 33,092               |
| Office Expenses                            | 3,921                 | 6,554                |
| Office Move/Fitout                         | -                     | 5,846                |
| Other Expenses                             | 582                   | -                    |
| Postage                                    | 761                   | 1,000                |
| Printing & Stationery                      | 5,412                 | 2,381                |
| Rates                                      | 2,442                 | 473                  |
| Rent                                       | -                     | 1,245                |
| Secretariat Costs                          | 471,000               | 426,204              |
| Security                                   | 424                   | -                    |
| Staff Training & Development               | 159                   | 4,476                |
| Telephone                                  | 4,136                 | 8,146                |
| Travelling Expenses                        | 13,445                | 13,789               |
| Water                                      | 325                   | 64                   |
| Website                                    | 5,630                 | 5,336                |
|  | <u>700,547</u>        | <u>598,743</u>       |
| <b>Surplus/(Deficit) before income tax</b> | <u><u>(6,495)</u></u> | <u><u>61,565</u></u> |



This page has been left blank intentionally



CHILDREN'S  
HEALTHCARE  

---

AUSTRALASIA