Common acronyms included in this Report

ACHS – The Australian Council on Healthcare Standards
ACHSI – ACHS International
ACSQHC – The Australian Commission on Safety and Quality in Health Care
AHHA – Australian Healthcare and Hospitals Association
ACIR – Australasian Clinical Indicator Report
AMA – Australian Medical Association
APHA – Australian Private Hospitals Association
ART – Assessment Recording Tool
CQI – Continuous Quality Improvement
CRM – Customer Relationship Management
EAT – Electronic Assessment Tool
EQuIP – Evaluation and Quality Improvement Program
EQuIPNational – The EQuIPNational program
EQuIP6 – the 6th edition of the ACHS Evaluation and Quality Improvement Program
IAP – International Accreditation Programme
ISQua – The International Society for Quality in Health Care
NSQHSS – National Safety and Quality Health Service Standards
OWS – Organisation-Wide Survey
PIRT – Performance Indicator Reporting Tool
PR – Periodic Review
RACGP – The Royal Australian College of General Practitioners
SAC – State Advisory Committee
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INSPIRING EXCELLENCE IN HEALTHCARE
Mission
To strengthen safe, quality healthcare by continuously advancing standards and education nationally and internationally.

Vision
Our vision statement is focused on our core business. We aspire to excellence in all aspects of healthcare and want to inspire others to strive for excellence.

Values
Values are the essential foundation of our organisation. They describe what is important to us and frame how we work.

Working Together
We work with our stakeholders to achieve goals

Accountability
We take responsibility for our performance

Commitment
We are committed to fostering an innovative and outcomes driven culture

Adaptability
Our flexibility enables us to adapt and embrace change

Responsiveness
We are quick to respond to the needs of our members and the ever-changing health landscape

Excellence
We strive for excellence in everything we do
**OUR IDENTITY**

**A Corporate Overview**

**The Council**

The Council exists to support and direct Australia’s largest healthcare accreditation agency.

- The Council supports the Australian Health Service Safety and Quality Accreditation Scheme and our own quality standards and accreditation programs.
- Established since 1974 - ACHS has an enviable reputation as an independent, not-for-profit organisation exporting its successful model of accreditation to 15 countries.
- In 2016-17 there were 22 Council member organisations, with 29 Council member representatives drawn from peak bodies in the health industry, as well as representatives from governments, consumers and life members. ACHS is governed by a Board of 11 Directors.

**ACHS Surveyors**

ACHS is privileged to have the services of our surveyor workforce who enable us to deliver a strong accreditation program nationally and overseas.

- We currently have 440 surveyors,
- Our investment in education and development of the surveyor workforce grows from strength to strength,
- The majority of our surveyors continue to work full-time roles as health professionals.

**Funding**

As a not-for-profit, ACHS is a company limited by guarantee. The majority of our funding is derived from membership fees.

Our education services attract a broad cross-section of the health community and assist in supplementing our income streams.

**Partnerships**

ACHS prides itself on continuing to be a lead figure in the Australian accreditation system.

- We work in a range of different partnerships that are either mutually supportive or jointly collaborative in nature.
- We aim to work across the healthcare industry and bring value to the different areas we support.

**New Programs**

**EQuIP6**

During 2016-17, ACHS released new versions of the existing Evaluation and Quality Improvement Program; EQuIP6 and EQuIP6 Day Procedure Centres, as well as the EQuIP Corporate Member Services and Corporate Health Service programs, merged to form the EQuIP6 Healthcare Support Services program.

Two new Guides were also added to the suite of EQuIP6 programs; EQuIP6 Oral Health Services and EQuIP6 Haemodialysis Centres.

**The Exemplar Award**

The Exemplar Award is an innovative new program developed by ACHS, and released in 2017. The Exemplar Award draws on a combination of both contemporary and well-established health safety and quality concepts to define how the components of a system or service function to produce sustained high performance outcomes.

The Exemplar Award process can be used as a tool to transform an organisation into a high performing one – with the Award being the ultimate validation of the transformation.
Strategic Goals

1. Expand our business reach
   Build our business reach by strategically seeking out new opportunities that foster national and international recognition

2. Grow our membership
   Grow, maintain and sustain our national and international membership through the continued delivery of outstanding service and products that directly meet our member’s needs

3. Build strategic alliances
   Create strong partnerships and alliances that support collaboration and engagement and uphold, develop and build on our vision

4. Inspire organisational performance
   Inspire our organisation to always be its absolute best by putting our members at the centre, ensuring our workplace celebrates and fosters the creative, innovative capacity of our workforce and members and by providing strong leadership which creates our values-based organisational environment

5. Ensure sustainability
   Deliver an efficient and financially sustainable business model underpinned by high standards of accountability and quality assurance

6. Share our knowledge
   Empower our members and stakeholders to deliver quality healthcare by harnessing our data and actively seeking new opportunities to share information and knowledge that will support the delivery of safe, quality healthcare
Success comes in many different forms, and the last year was an outstanding year of valuable achievements as well as progress on different fronts.

**Governance**

Office-bearers elected at the ACHS Annual General meeting on Thursday, 25 November 2016 were:

- Mr John Smith PSM was re-elected President
- Dr Len Notaras AM was re-elected Vice-President
- Mr Stephen Walker was re-elected Treasurer.

The Board continued to oversee the implementation of a range of new initiatives conducted by the CEO and ACHS Executive.

Through regular meetings with the Executive, the Board assists in determining strategic directions.

**Strategic Alliances**

ACHS continues to build and expand its reputation and profile through strategic alliances:

- The early success of the newly launched ACHS Improvement Academy, offering education across the industry.
- High level visits to jurisdictions, as well as key members, private and public stakeholders, in Australia and overseas.
- Continued work with partners to extending healthcare accreditation into other areas of health.
- Two-way communication from our members and the industry in sharing beneficial feedback and information.

**New Initiatives**

Strategic projects undertaken included:

- Short Notice Surveys – further work to support the objective of shifting organisational culture from an ‘event’ mindset, to accreditation as an ongoing process or ‘constantly ready’.
- The Exemplar Program, developed by ACHS is an innovative new program that recognises a system or service within a healthcare organisation that has achieved and sustained high performance results, ready for launch in July 2017
- Working collaboratively with the Aged Care Quality Agency to deliver a single accreditation survey against two set of standards concurrently.
- Work on revising and updating our Constitution continued throughout the year, culminating in unanimous agreement at the June 2017 Special General Meeting.
- Queensland Health Patient Safety Audit completed.
- Submitted an application in late 2016 to the Australian Commission on Safety and Quality in HealthCare (ACSQHC) to be considered as an approved accrediting agency for the National General Practice Accreditation Scheme, which was accepted in December 2016.
Acknowledgements

‘Safety, Quality and Performance’ is not just a much-used slogan of ours, but an ethos we seek to achieve on behalf of our members.

Healthcare accreditation is at the core of our business, and there are many different corners of the healthcare industry we wish to acknowledge for the strong levels of support we have received over the last 12 months in particular.

With a keenness to see accreditation both evolve and continue to be a meaningful experience there are numerous sources in health who have both challenged and supported our efforts, and we thank them for their sustained interest in what we are achieving.

As a not-for-profit organisation, our members and surveyors are the lifeblood that grounds our efforts and their level of continued support remains impressive.

Our Board has provided a strong level of support during a year where we have canvassed different views on what our Constitution should be to more contemporaneously represent us, and the work of the Board Governance Sub-Committee in particular stands out.

Our staff have again demonstrated their strong interest in the organisation’s success and have shown their commitment when the day-to-day levels of activity are generally increasing. We thank them for their collaboration and for what we are collectively achieving.

We commend this report to you.

Mr John Smith PSM
President
Board of Directors

Dr Christine Dennis
Chief Executive Officer
HIGHLIGHTS

Key highlights in the past year were:

► ACHS/ACHSI attends the Institute for Healthcare Improvement / British Medical Journal Asia Pacific Forum in Singapore in September and the ISQua Conference in Tokyo in October, where we co-presented with the Australian Aged Care Quality Agency on our recent work exploring the feasibility of a ’joined-up’ accreditation process for those health services that provide a mix of residential aged care and acute care services.

► A hugely successful ‘Health leadership: Making Things Happen’ Joint Congress 2016 was held in Brisbane with more than 530 delegates attending. Keynote speakers include Professor Ian Kennedy QC, Peter Pronovost, Martin Bowles PSM and Anne Cross.

► The ACHS Medal 2016 is awarded to Professor Bryant Stokes AM from Perth, WA for his ‘outstanding achievement in the promotion of quality in health care’.

► The Australasian Clinical Indicator Report 2008 – 2015 (17th edition) was launched in Brisbane at the ACHS / ACHSM Joint Congress. The report is Australia’s most statistically-detailed, national report on the performance of 825 healthcare organisations (HCOs) over an eight year period.

► Bankstown-Lidcombe Hospital (NSW), Osborne Park Hospital (WA) and Children’s Health Queensland Hospital and Health Service (QLD) were announced as winners of the 19th Annual ACHS Quality Improvement Awards at the Joint Congress in Brisbane.

► The ACHS Board re-elects its President, Mr John Smith PSM, and Vice President, Professor Len Notaras AM. Mr Stephen Walker is also re-elected to his position of Treasurer at the Annual General Meeting, held in Sydney on 26 November.

► Following a draft Constitution being presented to the ACHS Council meetings in June and November 2016, work continued throughout 2016/17 to ensure the new Constitution reflected contemporaneous governance practices and incorporated the feedback and counsel of the ACHS Board and Council members.

► EQuIP6 Healthcare Support Services is a re-developed new program for those organisations that do not directly deliver clinical care. The new program is an amalgamation of EQuIP Corporate Health Services and EQuIP Corporate Member Services.

► The dates for the commencement of the two Improvement Academy Lead Programs are announced for February 2017.

► ACHS received approval to become an accreditation provider for General Practice and works towards an official launch in October 2017.

► The Royal Australasian College of Surgeons (RACS) advises that both Lead Program courses are now eligible for Continuing Professional Development (CPD) points.

► Member education held in eight overseas cities to assist member organisations in the transition from EQuIP5 to EQuIP6.

► ACHS will review EQuIPNational in response to the Australian Commission on Safety and Quality in Health Care’s Version 2 of the National Safety and Quality Health (NSQHS) Standards.

► ACHS CEO Dr Christine Dennis meets with President Masatoshi Hirai of Nihon Keiei Co., Ltd (Japan) to further strengthen the business relationship, presenting a series of workshops on accreditation, risk management and clinical governance over three days.

► Acknowledged globally for being a change leader with the UK’s National Health System, Helen Bevan is announced as keynote speaker for the ACHS/ACHSM Joint Congress planned for 27-29 September.

► The Improvement Academy celebrates its first round of graduates from the two Lead Programs with graduation ceremonies held in Sydney and Melbourne in March.
1. Meeting with the Aged Care Accreditation Agency, August 2016.
3. Patient Safety Lead Graduation, Sydney
4. Quality Improvement Lead Graduation Ceremony, Sydney, April 2017
5. Some of our keynote speakers at the ACHS/ACHSM Congress, Brisbane
6. Health Direct Australia receive their certificate of accreditation from ACHS CEO, Dr Christine Dennis
7. Patient Safety Lead Program in progress, Brisbane
8. Professor Bryant Stokes receives the 2016 ACHS Medal from the ACHS CEO, Executive and Board member Dr David Lord
ACHS ANNUAL REPORT 2016-2017

OUR ORGANISATION
Organisational Chart

As at 30 June, 2017
Dr Christine Dennis
BA Nursing, MHSM, DBA, Adjunct Associate Professor, Faculty Health Sciences, Flinders University, SA, FACHSAM, FAAQHC

Chief Executive Officer
Christine has worked in the health industry since 1976, having commenced in nursing and progressed to leadership positions in nursing and then broader health service management.

Christine’s career has included many and varied positions both within Health Services and in Health Departments.

Recent positions have included CEO Southern Adelaide Local Health Network; Chief Operating Officer, Top End Health Service; and, acting CE Northern Territory Health.

Christine also worked as Manager of the State Coroner’s Office in SA and, has provided education and training consultancies to the Ministry of Health, Singapore. Areas of expertise include strategic and operational planning, quality and safety systems and, organisational change.

Her doctoral theses was titled ‘The Problematic Nature of Strategic Planning in Public Health Services; the perspectives of the health planner’.

Christine was appointed to the role of CEO ACHS in July 2014.

Dr Lena Low
PhD, MBA, Grad Dip Mgmt, FAICD, FAAQHC, AFACHSM

Executive Director - Corporate and Surveyor Workforce
Dr Low has been with ACHS since 1995 with involvement in strategic development and operationalising healthcare accreditation systems. She currently has responsibility for financial management, Information Technology, Human Resources, surveyor workforce logistics and performance management with previous experiences as Chief Executive Officer and Company Secretary.

Dr Low has an MBA, Diploma Australian Institute of Company Directors and Doctor of Philosophy. Her doctorate specialisation with the UNSW Faculty of Medicine was in public health and community medicine.

Dr Low sits on the ISQua Accreditation Council, is an ISQua surveyor and a member of the “ISQua Experts” panel. She is also a visiting Fellow at Macquarie University and Board member of one of Sydney’s leading private golf clubs.

Ms Linda O’Connor
BAAppSc, Grad Dip (Med Ultrasound), MA (Org Com), AMS, CPHQ, GAICD

Executive Director – Customer Services and Development
Ms O’Connor is responsible for standards and product development, the ACHS clinical indicator program, customer services support and contract management.

Ms O’Connor has worked in healthcare for 25 years, is a Board Certified Professional in Healthcare Quality, and works closely with the Australian Commission on Safety and Quality in Healthcare (ACSQHC).

Ms O’Connor has both national and international experience. In the senior management team of Harvard Medical International, she worked between Boston and Dubai to establish the Center for Healthcare Planning and Quality, Dubai Healthcare City.

Ms O’Connor has collaborated on projects with the Joint Commission, ISO and Accreditation Canada. She is a qualified ultrasonographer, and was a member of the Commonwealth BreastScreen Australia Accreditation Review Committee. She holds a Master’s Degree in Organisational Communication, is a graduate of the Australian Institute of Company Directors, and is a surveyor for ISQua. Linda is a member of the Harvard Club of Australia.

Dr Desmond Yen
B Com, MBA, DBA, FAICD

Executive Director - International Business
Dr Yen joined ACHS in July 1995. His current portfolio primarily covers all aspects of international business. Prior to this role, he was responsible for Corporate Services. His multiple responsibilities have included strategy, policies and systems development, finance, risk management, IT and support services. He is experienced in all aspects of healthcare accreditation requiring member interaction.

Dr Yen’s broad depth of experience, mainly within large multi-national organisations, covers a mix of local and international strategic management, finance, and IT roles.

Dr Yen is a surveyor for ISQua and has surveyed four international accreditation agencies.

Dr Yen holds graduate qualifications in commerce, both a Master’s Degree and a Doctorate in Business Administration, and is a Fellow of the AICD.
ACHS Medal 2016 Citation

The following citation was given on 29 October, 2016

ACHS Citation 2016 – Winner – Professor Bryant Stokes AM, RFD, KStJ, MBBS, Hon DSc, Hon DM (WA), FRACS, FRCS

Professor Stokes had a most distinguished career as a neurosurgeon and clinical teacher, establishing an international reputation and attracting trainees globally. During this time he also made major contributions to professional organisations including the AMA, serving as President (WA), and the Royal Australasian College of Surgeons. As a clinician he upheld high standards and worked to continuously improve patient outcomes.

As Chief Medical Officer (WA) Prof Stokes renewed the focus on safety and quality in healthcare. When Acting Commissioner of Health in 2000, he supported publication of healthcare outcomes and adverse events together with associated learnings and recommendations. He was also a strong supporter of the development of the Clinical Training and Evaluation Centre (CTEC) at the University of WA, one of the earliest high fidelity simulation centres. This enabled health professionals to improve their skills and teamwork in simulated critical events without placing patients at risk, thereby improving their performance when delivering care in real life emergencies.

A further period as Acting Director General of Health for WA (2013-2015) was marked again by a strong focus on quality and safety in healthcare. Monthly reporting of performance indicators directly to the A/DG by health service CEOs and the Chairs of their Governing Councils was implemented. This established reporting with accountability. Any areas of under-performance were quickly noticed and plans for improvement demanded. He made sure that safety and quality were a priority for all health services.

With his commitment to safety and quality he served as Chair of the WA Council on Safety and Quality in Health Care 2002-2009.

His many reports into the delivery of health care have addressed a range of issues and the findings and recommendation from these reports have shaped not just the delivery of health care in WA, but across Australia.

Throughout his career Prof Stokes has lead both by example and by inspiring others to share his vision for a safe and high quality health system. He has a lifetime of outstanding achievement in maintaining a CQI focus in his multiple roles as a clinician, Chief Medical Officer, and Acting Director General of Health. His promotion of quality in health care has been outstanding in all his roles and is exemplified by the many reports he has authored.
ACHS International Medal 2016 Citation

ACHS International Medal Winner 2016 – Dr Anthony Kai-yiu Lee, Chief Hospital Manager and Medical Director, Union Hospital, Hong Kong

Dr Anthony K Y Lee is a strong leader and exponent of hospital accreditation in Hong Kong who has taken Union Hospital (UH) from a rudimentary form with less than 80 adult beds to its current position with 400 beds. Dr Lee was a medical specialist by training, prior to focusing on clinical immunology and rheumatology. In these areas he pioneered the study of cell-mediated immunity and the application of immuno-fluorescence techniques in detecting auto-antibodies that made a major contribution to Hong Kong’s medical development.

As well as being a renowned academic (as a former Adjunct Associate Professor, and a senior lecturer at University of Hong Kong), and scholar he has also been a notable hospital administrator. As a prominent and vocal member of the Steering Committee on Hospital Accreditation (with ACHS) set up by the Hong Kong Government since 2008 and Chairman of the Accreditation Committee of the Hong Kong Private Hospitals Association since 2009, he participated during a key maturing phase as Hong Kong undertook to push ahead with its significant plans for health accreditation. Under Dr Lee’s leadership, UH was one of the first five pioneer private hospitals in Hong Kong to attain early accreditation in 1999.

In year 2000, Dr Lee helped to bring in a UK-originated scheme to upgrade private hospital services. And when the Hong Kong Government launched the territory-wide Pilot Scheme of Hospital Accreditation by ACHS in 2009, Dr Lee became the lead advocate for it. Dr Lee believes sustainable Continuous Quality Improvement (CQI) must be conditioned into all levels of staffing, through both permeation and cultivation. Dr Lee had an exciting vision for the Union Hospital when he became the Chief Hospital Manager & Medical Director in 1996. Accountability, customer focus, patient safety, service excellence, professional integrity and teamwork were the key values to achieve. His vision was shared amongst hospital staff, and these values became the backbone of the implemented Quality Policy. CQI is not just another common acronym at Union Hospital, but is an established vision that underpins their customers’ basic needs and expectations being met. It also frames staff efforts to get from “good” to “better” and encourage ongoing staff engagement in delivering service excellence.

Dr Lee is able to convey his vision of CQI in an inspiring manner to encourage staff at all levels to work proactively towards the common goal of providing “Caring, Reliable, and Empathetic” services.
Three hospitals from three different states have been announced as winners of the 19th Annual ACHS Quality Improvement Awards at the ACHS / ACHSM Joint Congress in Brisbane today.

Bankstown-Lidcombe Hospital (NSW), Osborne Park Hospital (WA) and Children’s Health Queensland Hospital and Health Service (QLD) each took out one award, demonstrating their leadership status as innovators in different aspects of healthcare.

The awards were presented in three categories – Clinical Excellence and Patient Safety, Non-Clinical Service Delivery, and Healthcare Measurement.

Bankstown-Lidcombe Hospital won the Clinical Excellence and Patient Safety Award for their ‘Doctors, Pharmacists, Nurses, Administrative staff, Patients and Carers – the new multidisciplinary team’ project aimed at empowering patients and their carers to contribute to their own medication management and safety.

The Non-Clinical Service Delivery Award was won by Children’s Health Queensland Hospital and Health Service for their ‘Co-designing optimal maternal and infant nutrition resources for and by Maori and Pacific Islanders families living in Queensland’ project, a culturally tailored maternal and newborn health strategy.

Osborne Park Hospital won the Healthcare Measurement Award for their ‘Sustaining Improvement in the Management of the Endoscopy Waitlist’, aimed at tackling referral, triage and clerical issues.

The competition within the three categories had increased in recent years, each one having at least one ‘Highly Commended’ as runner-up to the winners. The judges were again impressed by both the scope and the very high level of entries submitted.

This year, almost 100 high quality submissions were received from Australian and international ACHS members as well as those organisations who participate in the ACHS’ Clinical Indicator Program.

A full list of Quality Initiatives entries received by ACHS was published in “Quality Initiatives – entries in the 19th Annual ACHS Quality Improvement Awards 2017” publication which can be downloaded from the ACHS website at www.achs.org.au
ACHS International (ACHSI) is a subsidiary of ACHS and extends the mission and vision of ACHS internationally. Since 2007 it has worked at creating a strong presence in both the Middle East and the Asia Pacific region and its marketshare and profile in these regions continues to grow.

Highlights of 2016 - 2017

- Memorandum of Understanding (MoU) signed in April between ACHS with Nihon Keiei (NK) to promote ACHS accreditation programs and undertake education workshops in Japan. A one-week training program was conducted in April 2017.
- Healthcare Quality International (HQI) appointed as the ACHSI representative in the Middle East region.
- NephroCare Asia Pacific Taiwan Branch Co. Ltd - Central Clinic Hospital Dialysis Clinic and NephroCare Asia Pacific Taiwan Branch Co. Ltd - Lee Fooh Clinic Dialysis Clinic become the first organisations in Taiwan to be ACHSI accredited.
- Successful launch of new programs EQuIP6 for Oral Health Services and EQuIP6 for Haemodialysis Centres.

International Surveyor Development Day
The surveyor development day for international surveyors in the Middle East region was held on 6 October in Dubai. A total of 22 surveyors from the Gulf Cooperation Council (GCC) countries attended the event. Feedback received showed that the event was well received.

Launch of EQuIP6
The launch of EQuIP6 and education of the new updates was held in the following cities to assist our member organisations transition from EQuIP5 to EQuIP6: Colombom Trivandrum, Kochi, Dubai, Jeddah and Bahrain.

Hong Kong Surveyor Development Days
The surveyor development updates for Hong Kong surveyors were held on 27 February, 1 March, 7 March and 10 March. Additional workshops on specialty topics were also held on 28 February, 2 March, 6 March and 9 March 2017. A total of 115 surveyors received the updates.

Asia Pacific Region

Hong Kong
A total of 28 on-site events were held in Hong Kong during the 2016 – 2017 financial year. The on-site events consisted of Organisation-Wide Surveys (OWS), Periodic Reviews (PR) and Consultancy Gap Analyses (GA). The School Dental Care Service of the Department of Health (consisting of nine clinics) became the first organisation to be accredited under the EQuIP6 program for Oral Health Services.

Macau
The Centro Hospitalar Conde de Sao Januario General Hospital and the Macau Community Health Centers underwent their second cycle of the EQuIP program.

The People’s Republic of China
The Qingdao Bohou Healthcare consisting of three clinics became the second organisation in China to join the EQuIP program.

Singapore
Eight additional Fresenius Medical Care clinics in Singapore were accredited under the EQuIP6 Day Procedure Centres program.

Taiwan
NephroCare Asia Pacific Taiwan Branch Co. Ltd - Central Clinic Hospital Dialysis Clinic and NephroCare Asia Pacific Taiwan Branch Co. Ltd - Lee Fooh Clinic Dialysis Clinic became the first organisations in Taiwan to be accredited by ACHSI. Sense & Beauty Dental Center also conducted a gap analysis and are working towards joining the EQuIP6 for Oral Health Services membership program.
Middle East Region

United Arab Emirates
Drs Nicolas & Asp Centers underwent their second EQuIP cycle followed by a Periodic Review at the Dubai London Clinic and Speciality Hospital.

Kingdom of Bahrain
The Royal Bahrain Hospital & KIMS Bahrain Medical Center conducted an OWS under their second EQuIP cycle while the American Mission Hospital underwent a Periodic Review as part of their third EQuIP cycle.

Kingdom of Saudi Arabia
Organisations that conducted an on-site survey included Dr Soliman Fakeeh Hospital, Branch Suncity Co. Ltd. Polyclinic, International Medical Centre, Al Hammadi Hospital and United Doctors Hospital.

Sultanate of Oman
Muscat Eye Laser Center became the second organisation in the Sultanate of Oman to be ACHSI accredited.

1. Certificate presentation at Fresenius Medical Care Singapore – Khatib, Hougang, Yishun, Bukit Merah and Bukit Merah Central clinics (March 2017)
2. Certificate presentation at Fresenius Medical Care Malaysia Sdn Bhd – The Kidney Dialysis Clinic - Taman Desa (March 2017)
3. Certificate presentation at NephroCare Asia Pacific Taiwan - Central Dialysis Clinic and Lee Fooh Dialysis Clinic (May 2017)
4. Certificate presentation at the School Dental Care Service, Hong Kong (June 2017)
5. Gap Analysis team along with hospital executive and staff of Bradbury Hospice, Shatin Cheshire Home & Shatin Hospital, Hong Kong (November 2017)
6. ACHS/ACHSI President Mr John Smith PSM along with Hospital Director of Health Bureau and Hospital Director Dr Kuok Cheong U at the certificate presentation of the Centro Hospitalar Conde de Sao Januario General Hospital, Macau (April 2017).
Customer Services

With the high number of surveys that occurred during 2016-2017, the Customer Services Managers focused on providing exceptional customer service and support to organisations. ACHS is pleased to report that our member organisations reported a 97% satisfaction rate with the level of service and support received from their dedicated Customer Services Manager. During this same period the work of the Customer Services Managers also resulted in a significant increase in the number of new memberships – 41% more than the previous year.

Standards and Product Development

Standards and Product Development (SPD) is responsible for the generation and maintenance of ACHS quality improvement programs including EQuIPNational, EQuIPNational Day Procedure Centres, EQuIPNational Corporate Health Services, EQuIP6, EQuIP6 Day Procedure Centres, EQuIP6 Healthcare Support Services, and specialised standards as required. This section also develops associated resources and specialist publications to support these programs.

In addition to the maintenance of existing programs, this section develops new products for ACHS including a new program to recognise high performance in a healthcare organisation’s system or service. SPD also collaborates with national and international organisations to develop specialised healthcare programs including EQuIP6 Hong Kong, EQuIP6 Oral Health (international market) and EQuIP6 Haemodialysis Centres (international market). SPD works in consultation with key internal and external stakeholders to ensure program development reflects current health priorities and contemporary best practice.

SPD coordinates the ACHS annual Quality Improvement (QI) awards, which acknowledges and encourages outstanding quality improvement activities, programs or strategies that have been implemented in healthcare organisations.

Key achievements 2016 – 2017

The EXEMPLAR AWARD

SPD completed the development of the Exemplar Award in 2017, which is an innovative new program developed by ACHS to recognise a system or service within a healthcare organisation that demonstrates sustained superior performance, and achieves greater outcomes for consumers / patients.

The EXEMPLAR AWARD draws on a combination of both contemporary and well-established health safety and quality concepts to define how the components of a system or service function to produce sustained high performance outcomes. With the introduction of a program that recognises high achievement, healthcare performance can be improved by acknowledging where organisations excel, and sharing these practices to ultimately drive safety and quality in healthcare.

Our program range

Our core program, the Evaluation and Quality Improvement Program (EQuIP) is developed in consultation with clinicians, quality managers, risk managers, administrators, allied health professionals, consumers, surveyors and representatives from various jurisdictions and informs the content of other EQuIP programs.

EQuIP is used in Australia by organisations not required to be assessed to the National Safety and Quality Health Service (NSQHS) Standards, and by healthcare organisations in 15 countries internationally, including New Zealand, Hong Kong, Malaysia, Indonesia, Singapore, India, Saudi Arabia, Sri Lanka, Bahrain and United Arab Emirates.
EQuIP6 is the current version, and was developed to ensure that the content of this core accreditation program is up-to-date, evidence-based, and relevant to member organisations. The core EQuIP6 program informed the development of a suite of related accreditation programs.

ACHS offers a choice of accreditation programs for the healthcare sector, to provide strong, dedicated support for organisations meeting safety and quality requirements.

Other products and services that ACHS offer to health services include:

- **EQuIP6 Resource for non-acute Australian members**: a complementary resource developed for Australian non-acute members of the EQuIP6 program undergoing accreditation.

- **EQuIP Day Procedure Centres**: a tailored, three-year version of our EQuIP accreditation program specifically for private owned, stand-alone day hospitals.

- **EQuIP6 Healthcare Support Services**: a customised version of EQuIP6 for organisations that provide health support services without direct care responsibility. Members include peak bodies, colleges and associations, outsourced labour supply and delivery of telehealth services. There is a specific criterion addressing customer service.

- **EQuIP6 Oral Health Services**: a customised version based on EQuIP6 Day Procedure Centres.

- **EQuIP6 Haemodialysis Centres**: a customised version based on EQuIP6 Day Procedure Centres. This program is for haemodialysis centres that do not provide home dialysis services or overnight haemodialysis services.

- **EQuIPNational**: presented in the same format as the NSQHS Standards, to provide a seamless product for organisations that want to retain an organisation-wide perspective on their health service. The program consists of the ten NSQHS Standards, then provides a further five Standards. The first two standards include access, patient assessment, evaluation of care and transition of care, while the remaining three standards focus on the performance of non-clinical systems for healthcare organisations, such as workforce, information, safety, building and plant management.

This product is beneficial for organisations that would like to retain the robust comprehensive organisational approach that ACHS products have historically had, and to complement the ‘patient safety’ approach of the NSQHS Standards.

- **EQuIPNational Day Procedure Centres**: a three-year version of EQuIPNational, tailored to ensure the accreditation process is as targeted as possible for our day procedure members.

- **EQuIPNational Corporate Health Services**: following the implementation of the Australian Commission on Safety and Quality in Health Care’s (ACSQHC’s) National Safety and Quality Health Service (NSQHS) Standards, ACHS has designed a product for corporate services with direct oversight of healthcare facilities.

- **EQuIPNational Corporate Health Services** is a comprehensive accreditation and quality improvement program that facilitates alignment between the corporate service and its health facilities, whether the facilities are accredited against the NSQHS Standards or EQuIPNational.

- **EQuIPNational Corporate Health Service Standards** comprises the ten NSQHS Standards plus the additional five EQuIP-content standards, utilising only those actions that are relevant at the corporate level. This ensures that member organisations have a comprehensive accreditation and quality improvement assessment program that is organisation-wide.

- **Integrated Models of Review**: ACHS has developed an integrated model to effectively review health services to determine how well specialist services (for example mental health services, palliative care, and organisations that receive funding, including those registered under the Disability Act 2006 and/ or Children, Youth and Families Act 2005, that deliver services directly to consumers / patients) have addressed specific industry standards as well as the ACHS standards and the relevant ACHS Guidelines.
The Exemplar Award: A symbol of recognition for healthcare organisations that produce a high performing system or service which is world-leading and translates to high quality consumer/patient outcomes.

For more detail on any of our products and services, please visit our website: www.achs.org.au

Performance and Outcomes Service

The Performance and Outcomes Service (POS) has been responsible for the ACHS Clinical Indicator Program (CIP) since 1989. More than 730 healthcare organisations currently submit data for a range of Clinical Indicators every six months via the web-based Performance Indicator Reporting Tool (PIRT). In 2016 - 2017, POS provided healthcare organisations with 322 Clinical Indicators across 20 Clinical Indicator sets.

The CIP is the most comprehensive program of its kind in Australia. Customised reporting of data allows single healthcare organisations or groups to compare their own performance to national, state and territory aggregates.

ACHS Clinical Indicators are developed by working parties comprised of practising clinicians of relevant Australian and New Zealand medical and nursing colleges, associations and societies, consumer representatives, statisticians and ACHS staff. Clinical Indicator sets are regularly reviewed to ensure they are relevant for clinicians, that they continue to reflect today’s healthcare environment, that there is a consensus on collection and reporting requirements and that the set is regarded as useful for quality improvement.

Key achievements 2016 - 2017

- Publication of the Australasian Clinical Indicator Report 2008 - 2015, 17th edition,
- Data collection commenced for nine updated Clinical Indicator sets including Emergency Medicine (version 6), Hospital in the Home (version 5), Hospital-Wide (version 12.1), Internal Medicine (version 6.1), Maternity (version 8), Ophthalmology (version 6), Oral Health (version 4), Pathology (version 4.1) and Rehabilitation Medicine (version 6).
Standards Committee

The Standards Committee is a permanent standing sub-committee of the ACHS Board with a pivotal role in guiding and refining development of new ACHS standards and programs and reviewing proposed changes to existing ACHS standards. The committee reports its recommendations directly to the ACHS Board.

The Standards Committee has broad representation from across the healthcare sector, including members with experience as ACHS surveyors. Committee membership is drawn from both the public and private sectors and includes clinicians, consumers, senior health administrators, allied health professionals and quality managers. The current membership also includes representatives from New Zealand and Hong Kong, both jurisdictions which implement ACHS EQuIP standards.

Chair of the committee during the period 2016-2017 was Dr Philip Hoyle, who has served on the committee since 2002. Committee membership also includes the President of the ACHS and the ACHS Chief Executive. The Standards Committee is administered by the ACHS Standards and Products Development Unit, led by the Executive Director-Customer Services and Development.

A major focus for the Standards Committee during 2016-2017 was the completion of the EQuIP6 suite of programs for international member organisations in 15 countries, including Hong Kong, New Zealand, the Middle East, India and other countries throughout the Asia-Pacific area.

<table>
<thead>
<tr>
<th>Name</th>
<th>Organisation</th>
<th>Representation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr Philip Hoyle</td>
<td>Director of Medical Services, Royal North Shore Hospital, NSW</td>
<td>Clinician / Public Sector / ACHS surveyor</td>
</tr>
<tr>
<td>Ms Cathy Jones</td>
<td>National Manager Quality &amp; Compliance, Healthscope, Vic</td>
<td>Private Sector</td>
</tr>
<tr>
<td>Adjunct Associate Professor Karen J Linegar</td>
<td>Executive Director of Nursing and Midwifery, North West Area Health Service, Tas</td>
<td>Nursing / Public Sector</td>
</tr>
<tr>
<td>Ms Joanne Levin</td>
<td>Chief Executive, Belmont Private Hospital, NSW</td>
<td>Private Sector</td>
</tr>
<tr>
<td>Mr Stephen Walker</td>
<td>Chief Executive, St Andrew’s Hospital, SA</td>
<td>Administration / Private Sector / ACHS Councillor</td>
</tr>
<tr>
<td>Ms Patricia Warn</td>
<td>Consumers’ Health Forum, NSW</td>
<td>Consumer Representative</td>
</tr>
<tr>
<td>Ms Samantha Sanders (Carney)</td>
<td>Chief Risk and Clinical Governance Officer, Icon Cancer Care</td>
<td>Day Hospitals Australia</td>
</tr>
<tr>
<td>Mr John Smith PSM (President to November 2016)</td>
<td>Chief Executive, West Wimmera Health Service, Vic</td>
<td>ex-officio</td>
</tr>
<tr>
<td>Prof Len Notaras AM (President from November 2016)</td>
<td>Chief Executive Officer, Northern Territory Department of Health</td>
<td>ex-officio</td>
</tr>
<tr>
<td>Dr Christine Dennis</td>
<td>Chief Executive Officer, ACHS</td>
<td>ex-officio</td>
</tr>
<tr>
<td>Ms Margo Carberry</td>
<td>Community Health Manager, Hunter New England Health, NSW</td>
<td>Rural / Public Sector / Allied Health / Community Health / ACHS surveyor</td>
</tr>
<tr>
<td>Dr Fei Chau PANG</td>
<td>Hospital Chief Executive, Grantham Hospital, HK</td>
<td>Hong Kong Public Sector</td>
</tr>
<tr>
<td>Ms Manbo Man</td>
<td>Co-Chairman - Hong Kong Representative, Nursing Director HK Sanatorium Hospital, HK</td>
<td>Hong Kong Private Sector</td>
</tr>
<tr>
<td>Ms Cathy Cummings</td>
<td>Managing Director, DAA Group Ltd (Designated Audit Agency), NZ</td>
<td>DAA / New Zealand</td>
</tr>
<tr>
<td>Ms Helen Dowling</td>
<td>Project Manager, Pharmacy at Royal North Shore Hospital; Pharmacist Consultant, eHealth &amp; Medication Safety, Australian Commission on Safety and Quality in Health Care</td>
<td>Regional / Public Sector/ Allied Health/ ACHS Councillor / ACHS surveyor</td>
</tr>
<tr>
<td>Assoc Prof Brett Emmerson AM</td>
<td>Executive Director, Division of Mental Health Services, Royal Brisbane &amp; Women’s Hospital &amp; Health Service, QLD</td>
<td>Mental Health / Public Sector / ACHS Councillor / ACHS surveyor</td>
</tr>
</tbody>
</table>
Corporate and Surveyor Workforce Unit comprises five core sections:
1. Information Technology (IT)
2. Finance and Human Resources Administration
3. Business Support Services (BSS)
4. Accreditation Administration Services (AAS)
5. Surveyor Workforce (SW)

Key achievements 2016 – 2017
► Effective technical management of IT with no breaches of ACHS IT systems
► Unqualified financial audit by external auditors
► Positive outcomes from 2017 Staff Satisfaction survey with no staff injuries/down time
► Accurate and effective data provided to jurisdictions and other stakeholders
► >90% satisfaction ratings for Coordinator and Surveyor development training programs
► >90% attendance by stakeholders at State Advisory Committee meetings Australia-wide

Information Technology (IT)
The Information Technology (IT) division is responsible for the provision of technology and telecommunication services to ACHS staff and surveyor workforce, member organisations and non-members. ACHS IT governance has responsibility for the strategic alignment between the goals and objectives of the business and the effective utilisation of its IT resources to achieve the desired results. ACHS IT is committed to providing technology-related business solutions and systems integration in line with industry best practice and consistent with the strategic direction of the ACHS.

ACHS IT has responsibility for the following high-level activities:
► In-house application development and maintenance of software tools to support our unique information processing requirements,
► System lifecycle management to ensure ACHS technology requirements are resilient, maintainable and secure,
► Identity Management to ensure data assets are protected and made available to people and organisations following the least-privilege paradigm,
► Disaster recovery and business continuity planning to ensure ACHS maintains services in the event of system failure or physical displacement.

Finance and Human Resources Administration
The two main functions of this unit are the management of finance and the management of human resources.
► Finance is responsible for the accounting, budgeting, financial reporting and providing accurate/timely information to support management decision-making. The Finance unit works closely with all stakeholders to ensure financial performance are to budget, and there are sufficient controls in place to minimise potential financial risks.
► Human Resources Management (HRM) of which, the overarching functions include:
  ► ensuring efficient human resource information systems,
  ► administration of policies, programs and practices,
  ► developing and utilising a strategic approach to human resources,
  ► monitoring compliance with legal requirements as well as administering award and corporate wellness management, such as the development and communication of policies and procedures with regard to the management of wellbeing;
  ► workplace health and safety including the Employee Assistance Program and health promotion programs such as free influenza injections for staff as well as ergonomics audits.

Business Support Services (BSS)
Business Services is the repository of the ACHS accreditation data, and it collaborates with various departments and university research partners on a variety of projects. The Business Services unit is responsible for data extraction, data cleaning
and reporting on the data trends to stakeholders, jurisdictions, members and surveyors.

Business Services provides user support to all ACHS domestic and International members, surveyors and staff in relation to the accreditation Assessment Recording Tool (ART), Electronic Assessment Tool (EAT) and the in-house Customer Relationship Management (CRM) system.

The ACHS premises, as well as the assets therein, are maintained by Business Services. Its responsibilities include taking the necessary steps to identify and mitigate the potential hazards or risks in the working environment from both health and hygiene aspects.

Surveyor and Survey Coordinator Development Days are compulsory training days held annually to ensure currency of knowledge of the surveyor workforce. This training is required as part of the reappointment process of the Surveyor Workforce. These days are also structured to provide an opportunity for skills development; additionally they provide the opportunity for dialogue and peer support between surveyors. The Business Services team is responsible for the management of these events.

State Advisory Committee (SAC) meetings are held every six months in each state via face-to-face meetings and/or teleconference. The role of the SAC is to provide a forum for increasing the engagement, as well as the dissemination of information between the ACHS and its stakeholders. The SAC meetings are vital for the ACHS to enable it to be informed of and address the issues that impact stakeholders in their local environment. The Business Services unit is responsible for all aspects of organisation for these meetings as well as the regulation of appointments and re-appointments and measuring performance of the committees against a set of agreed key performance indicators.

**Accreditation Administration Services (AAS)**

The core function of the AAS is to provide administrative support to the Customer Services Unit as well as accreditation support services to member organisations and surveyors to ensure the success of all ACHS programs offered.

The AAS also provides administration support for the following:

- Survey Reports
- Membership Renewals
- Invoicing
- Accreditation Consultancies

The AAS is responsible for management of member organisation records in the Customer Relationship Management (CRM) database as well as maintaining filing systems for all documentation relating to ACHS member organisations.

In addition, AAS participates in the review of business processes at both management and staff levels.

**Surveyor Workforce**

The Surveyor Workforce Unit has responsibility for selecting appropriate surveyor teams for on-site surveys to ensure the credibility of the ACHS accreditation programs and the needs and satisfaction of its members.

In addition, the unit is responsible for ensuring surveyors are kept up-to-date with the latest information via a dedicated surveyor newsletter and regular updates to the surveyor section of the ACHS website. Face-to-face education is provided at an annual surveyor development day in each state and additionally for coordinators at a separate annual development day. The development days are structured to provide an opportunity for skills development and for dialogue and peer support between surveyors. Further education is provided via eLearning, webinars and quarterly mandatory competency quizzes.

The Surveyor Workforce Unit provides training for newly recruited surveyors and those meeting eligibility for coordinator status. The interactive sessions included are structured to provide a simulated version of the survey environment, and are presented by experienced ACHS staff and survey coordinators.

The Surveyor Workforce Unit has responsibility for training and selecting appropriate surveyors for projects. This year the team has worked with various members of the surveyor workforce on the following projects:

- Short Notice Accreditation Assessment Program (SNAAP) to be held in Queensland in the second half of 2017.
- Initial AUSMAT Surgical Field Hospital in the Northern Territory.
- Reappointment Improvement Process by a unit staff member as part of the Quality Improvement Lead Course.
The unit monitors the performance of the surveyor workforce on an ongoing basis to ensure customer satisfaction, compliance with requirements of the Australian Commission on Safety and Quality in Health Care (ACSQHC) and accreditation by the International Society for Quality in Health Care (ISQua).

Performance improvement opportunities are provided to support novice surveyors and those who may require retraining.

<table>
<thead>
<tr>
<th>Name</th>
<th>Specialty</th>
<th>Joined</th>
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<th>Years as a Surveyor</th>
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<tr>
<td>Mr Tom Callaly</td>
<td>Psychiatrist</td>
<td>2007</td>
<td>14</td>
<td>9</td>
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<tr>
<td>Mr Ken Campbell</td>
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<td>2007</td>
<td>59</td>
<td>10</td>
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<td>Dr Winston Chiu</td>
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<td>1999</td>
<td>31</td>
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<td>Nurse</td>
<td>2014</td>
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<td>Dr Peter Fahy</td>
<td>Nurse</td>
<td>2003</td>
<td>39</td>
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<td>2013</td>
<td>5</td>
<td>4</td>
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<td>Ms Tanya Gawthorn</td>
<td>Administrator</td>
<td>2013</td>
<td>1</td>
<td>3</td>
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<tr>
<td>Ms Leigh Giffard</td>
<td>Nurse</td>
<td>2006</td>
<td>47</td>
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<tr>
<td>Prof Jagmohan Gilhotra</td>
<td>Psychiatrist</td>
<td>2010</td>
<td>8</td>
<td>7</td>
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<td>Ms Susan Goonan</td>
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<td>2014</td>
<td>2</td>
<td>2</td>
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<tr>
<td>Ms Pamela Gulbis</td>
<td>Nurse</td>
<td>2001</td>
<td>53</td>
<td>16</td>
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<td>Mr Allan Hall</td>
<td>Administrator</td>
<td>2011</td>
<td>5</td>
<td>6</td>
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<tr>
<td>Dr Richard Harrod</td>
<td>Medical Officer</td>
<td>2004</td>
<td>15</td>
<td>12</td>
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<td>Dr Roger Hooper</td>
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<td>180</td>
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<tr>
<td>Mr Robert Hunter</td>
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<td>2011</td>
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<tr>
<td>Dr David Huppert</td>
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<td>2010</td>
<td>8</td>
<td>7</td>
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<tr>
<td>Mr Peter Hurst</td>
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<td>1998</td>
<td>220</td>
<td>19</td>
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<td>Dr Ian Kronborg</td>
<td>Medical Officer</td>
<td>2008</td>
<td>13</td>
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<td>Ms Maureen Lewis</td>
<td>Administrator</td>
<td>2016</td>
<td>1</td>
<td>1</td>
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<tr>
<td>Ms Karin Lynch</td>
<td>Nurse</td>
<td>2013</td>
<td>4</td>
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<tr>
<td>Ms Janne McMahon</td>
<td>Consumer</td>
<td>2002</td>
<td>28</td>
<td>15</td>
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<tr>
<td>Dr John Monagle</td>
<td>Medical Officer</td>
<td>1999</td>
<td>48</td>
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<td>Ms Jennie Pantano</td>
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<td>Mr Ric Pawsey</td>
<td>Allied Health</td>
<td>2002</td>
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<td>Ms Susan Perrott</td>
<td>Administrator</td>
<td>2009</td>
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<td>7</td>
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<tr>
<td>Ms Nancy Piercy</td>
<td>Administrator</td>
<td>1990</td>
<td>91</td>
<td>27</td>
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<td>Mr Geoff Rayner</td>
<td>Administrator</td>
<td>1995</td>
<td>68</td>
<td>21</td>
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<tr>
<td>Mr Les Richardson</td>
<td>Administrator</td>
<td>2013</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Ms Sue Shilbury</td>
<td>Administrator</td>
<td>2009</td>
<td>12</td>
<td>8</td>
</tr>
<tr>
<td>Ms Rosemary Snodgrass</td>
<td>Nurse</td>
<td>1993</td>
<td>269</td>
<td>22</td>
</tr>
<tr>
<td>Ms Alison Starr</td>
<td>Administrator</td>
<td>2010</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Mr Robert Troy</td>
<td>Nurse</td>
<td>2010</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>Dr Helen Ward</td>
<td>Medical Officer</td>
<td>2013</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>Dr Arthur Wooster</td>
<td>Medical Officer</td>
<td>1980</td>
<td>198</td>
<td>36</td>
</tr>
</tbody>
</table>
Following a successful launch in March 2016, the Improvement Academy (the Academy) has achieved an impressive set of results in its first full financial year of operation.

The Academy was created to provide contemporary training programs that meet the needs of a dynamic and complex healthcare system. Using the Kaiser Permanente curriculum framework we designed courses for Lead; Practitioner and Foundation Level clinicians and managers.

**Lead Level Programs**

The primary focus of activity has been to promote and publicise the two Lead Courses, the Patient Safety Lead Course and the Quality Improvement Lead Course. These lead level programs are designed to increase the capability of senior clinical leaders and managers to drive the capacity of health systems to continually improve services for patients and their families for the six domains of quality: access, efficiency, effectiveness, safety, consumer focus and appropriateness.

Both courses include four, two-day modules, webinars and email support. Central to both courses is that participants are required to undertake a work-based patient safety or quality improvement project. The aim of the project is to put the learning into practice and also allow sharing of best practice nationally and internationally through the publication of the project abstracts by the Academy.

**Patient Safety Lead**

The Patient Safety Lead Training Program (PSL) has been designed for senior staff within healthcare organisations who lead patient safety activities including: root cause analysis, open disclosure, staff interview techniques and recommendations that lead to improvements in safety. This 12 month program provides practical skills and theories that can be translated back into the workplace to improve patient safety.

The 40 participants received an immersion in the patient safety literature and contemporary approaches to organising for patient safety.

The course focuses on the proactive design elements to reduce risk of harm from health care including: human factors engineering and reliable design principles and will draw on concepts from other industries which are recognised as having high reliability e.g. mining, nuclear power and aviation.

It also provides insights and understanding from data on patient safety on the best approaches to build reliable care. Participants were required to undertake a work-based patient safety project and were assessed at the end of the course through an oral presentation of their project and were required to submit a short project abstract to the ACHS Faculty.

**Quality Improvement Lead**

The Quality Improvement Lead Training Program (QIL) has been designed for senior staff within healthcare organisations who lead quality improvement activities including: patient-based care and co-design; improvements in patient safety, outcomes, efficiency and access to services; and those who need to design new models of care particularly for chronic and complex disease management across continuums of care.

This 12 month program provides practical skills and theories that can be translated back into the workplace to improve care processes. Participants were immersed in quality improvement science and theories. They gained skills in leading and sustaining change processes, measurement for quality improvement using statistical process control charts and engaging with consumers in healthcare improvement. This course focuses on clinical practice improvement and...
its implementation in health care learning from successful international partners including but not limited to: Intermountain Healthcare USA and Salford Royal Foundation Trust UK NHS. Participants were required to undertake a work-based patient safety project and were assessed at the end of the course through an oral presentation of their project and were required to submit a short project abstract to the ACHS Faculty.

**Masterclass**

The Academy delivered six Masterclasses for Boards and Executives on their ‘Responsibilities for Quality and Safety’. The Masterclass was delivered by Dr Tim Smyth a medical doctor and lawyer and Ms Bernie Harrison, IA Director and quality improvement and patient safety expert. The Masterclass was delivered to a total of 78 participants and was extremely well-received.

**Practitioner Level Courses (one day programs)**

The ‘Root Cause Analysis’ (RCA) one day program was very successful. The Academy has taken on two more trainers (one in Qld and one in WA) to meet the high demand. The Academy delivered nine public workshops and 13 customised workshops for organisations across all States and Territories. A total of 193 people attended (public) and 327 attended (custom) programs.

The ‘Audit and Preparation for Survey’ one day program has also been under high demand for both public and custom workshops. Three additional trainers were contracted to assist with demand. There were nine public workshops and nine customised workshops for organisations across all States and Territories. A total of 211 people attended (public) and 198 attended (custom) programs.

The ‘Quality Improvement Tools’ one day workshop was requested by four organisations and following the initial success of this, consideration is being given to providing this as public workshop across all jurisdictions.

The Academy launched its new Webinar series in February 2017 for the 10 National Standards and the five EQuIP standards using newly developed content and a new webinar platform. A total of 16 webinars were delivered by experts in the National and EQuIP standards. A total of 536 participants signed up for the webinar series. It is worth noting that even though a single individual may have registered to view the webinar, there was no restriction on the total number of individuals who could listen in and view that webinar from a single device. This enabled the webinar series’ reach to be maximised for multiple staff within an organisation. Member organisations reported their appreciation for the flexibility and convenience it offered.

**Summary**

The Academy has surpassed the initial business plans by capturing the interest of a diverse cross-section of the health leadership community in Australia. It has met both the needs of our members (as well as non-ACHS members) and promoted the ACHS profile to different stratas of the health leadership teams who may otherwise not come into direct contact with ACHS. It has demonstrated at a very practical level the ability for ACHS to be both flexible to meet the training and educational needs of a variety of leaders, while continuing to drive the improvement of quality and safety matters at the health coalface.

<table>
<thead>
<tr>
<th>Course Name</th>
<th>Public</th>
<th>Custom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patient Safety Lead (12 months)</td>
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</tr>
<tr>
<td>Quality Improvement Lead (12 months)</td>
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<tr>
<td>Root Cause Analysis (1 day)</td>
<td>9</td>
<td>13</td>
</tr>
<tr>
<td>Audit and Preparation for Survey (1 day)</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>Exec Masterclass for Boards and Execs Responsibilities for Q&amp;S (1/2 day)</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Webinars in the National and EQuIP Standards (1 day)</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>Quality Improvement Workshops (1 day)</td>
<td>4</td>
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</tr>
</tbody>
</table>
Quality and Safety curriculum framework

- **Lead level**: Expert group to promote quality improvement in healthcare settings. In positions to lead others in a dedicated quality and safety role
- **Practitioner level**: Middle managers who role model patient safety and quality improvement principles and methods
- **Foundation Level**: All staff working in healthcare settings who have a raised awareness of principles that underpin quality and safety
Our Council represents consumers, governments and peak health industry bodies from throughout Australia.

The ACHS Council’s powers and duties include:

► Election of the Board at the Annual General meeting,
► Appointment of Council committees,
► Consideration and recommendations to the Board regarding the acceptance of other organisations as members of the Council,
► Contribution and support of the ACHS and assistance in determining the strategic direction of the ACHS,
► Participation in the determination of accreditation status, where appropriate,
► Consideration and monitoring of Board performance.

ACHS Councillors 2017, as at 20 June 2017, was 29 Councillors, including three life members

**Associate Professor Peter Bland**  
Royal Australian and New Zealand College for Obstetricians and Gynaecologists

**Dr Margaret Cowling**  
MBBS, FFRACCS, FANZCA  
Australian and New Zealand College of Anaesthetists (ANZCA)

**Professor Geoff Dobb**  
BSc(Hons), MBBS, FRCP, FRCA, FANZCA, FCICM, FAMA  
Australian Medical Association (AMA)

**Ms Helen Dowling**  
BPharm, DipHospPharm (Admin), GradDipQlinHCare, CHP, FSHP, AICD  
Allied Health Professions Australia Ltd

**Dr Iain Dunlop**  
MBBS(Hons), FRANZCO, FRACS  
Australian Medical Association (AMA)

**Associate Professor Brett Emmerson AM**  
MBBS, MHA, FRANZCP, FRACMA  
The Royal Australasian College of Medical Administrators (RACMA)

**Dr Roger Jonathan Garsia**  
MBBS, PhD, FRACP, FRCPA  
The Royal College of Pathologists of Australasia (RCPA)

**Dr Michael Hodgson AM**  
FAMA, MBBS, FANZCA, FRCA  
Life Member of ACHS Council

**Dr David Hutton**  
MBBS, GradDipEcon  
NSW Ministry of Health

**Mr Mark Kearin**  
RN, ADCNS(Geront Nurs), BHSc(Mgt), MHSc(Mgt)  
Australian Nursing Federation (ANF)

**Clinical Associate Professor Peter Kendall**  
MBBS, DA, FRACP, FCCP  
The Royal Australasian College of Physicians (RACP)

**Mr Tony Lawson**  
BA, BSocAdmin, FIPAA, FAIM, CPMgr  
Consumers’ Health Forum of Australia Ltd (CHF)

**Adj Associate Professor Karen Linegar**  
RN, RM, MHA, BAppSc (Nursing), BBus, Dip. Comm Law, FRCNA, JP  
The Australian College of Nursing (ACN)

**Dr David Lord**  
MBBS, DPM, FRANZCP  
Royal Australian and New Zealand College of Psychiatrists (RANZCP)

**Ms Angela Magarry**  
BHA, MPS, CGFNS, FCHSM  
Australasian College of Health Service Management (ACHSM)
ACHS was still awaiting nominations from the Department of Health in WA, Victoria, SA, Tasmania, the Department of Veterans’ Affairs and The Australasian Association for Quality in Health Care at time of publication.
The Board of Directors (the Board) of The Australian Council on Healthcare Standards Limited (“ACHS”) in office at the date of this report present the results of The Australian Council on Healthcare Standards Limited and its controlled entities (collectively referred to as “the Group”) for the financial year ended 30 June 2017 and the Independent Auditor’s Report thereon.

Directors and meeting attendance

At the date of this report, the names of the members of the Board, the meetings of the Board and meetings of the Board Finance Audit and Risk Committee (BFARC), and the number of meetings attended by each of the Board members during the financial year are listed and summarised in the table below:

<table>
<thead>
<tr>
<th>Name</th>
<th>Date appointed</th>
<th>Date of cessation</th>
<th>Board Meetings</th>
<th>BFARC Meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Michael Roff</td>
<td>2 Feb 2004</td>
<td>-</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Adj A/Prof Karen Linegar</td>
<td>25 Nov 2004</td>
<td>-</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>Mr John Smith PSM</td>
<td>24 Nov 2005</td>
<td>-</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Mr Stephen Walker (BFARC Chair)</td>
<td>23 Nov 2006</td>
<td>-</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Ms Helen Dowling</td>
<td>27 Nov 2008</td>
<td>-</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Dr David Lord</td>
<td>26 Nov 2009</td>
<td>-</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Prof Geoffrey Dobb</td>
<td>25 Nov 2010</td>
<td>-</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Dr Noela Whitby AM</td>
<td>24 Nov 2011</td>
<td>-</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Mr Anthony Lawson</td>
<td>24 Sep 2012</td>
<td>-</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>Prof Leonard Notaras AM (President)</td>
<td>22 Nov 2012</td>
<td>-</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>A/Prof Brett Emmerson AM</td>
<td>25 Nov 2015</td>
<td>-</td>
<td>8</td>
<td>9</td>
</tr>
</tbody>
</table>

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated. Details of directors’ qualifications, experience and special responsibilities can be found on pages 30 to 31 of this report.

Company Secretary

Dr Christine Dennis has held the role of Company Secretary since October 2014. Dr Christine Dennis is also the Chief Executive Officer of the ACHS.

Mission and strategy

The Group’s mission is to strengthen safe, quality healthcare by continuously advancing standards and education nationally and internationally. The Group’s strategies for accomplishing its mission includes:

- Expand our business reach
- Grow our membership
- Build strategic alliances
- Inspire organisational performance
- Ensure sustainability
- Share our knowledge.

Principal activities

The principal activities of the Group during the financial year remained unchanged and were dedicated to improving the quality of healthcare in Australia through continuous review of performance, assessment and accreditation.

Review of operations

The Group’s net surplus of $2,231,654 has been achieved mainly due to high number of accreditation surveys, high retention of member organisations and increased cost efficiencies in the provision of services. The Group’s balance sheet remains strong with cash and cash equivalents of $11,301,096. The Group has no loans or borrowings to any financial institution as at 30 June 2017.
Performance measures

The Group measures its performance through the monitoring of key performance indicators:
► To assess the cost effectiveness of the provision of products and services
► To ensure revenue derived is effectively directed back to servicing customers
► To assess member and stakeholder satisfaction with the programs and services received
► To assess take-up of programs and services
► To assess the effectiveness of support and services provided to customers
► To assess and manage risks.

Risk Management

The ACHS is committed to the effective management of risks. At ACHS, the ownership of the day-to-day management of risks remains the responsibility of the Chief Executive Officer with the support of ACHS staff.

The Board Finance Audit and Risk Committee (BFARC) has primary oversight of risk management practices across the ACHS.

Its responsibilities include assisting the Board through periodic review of the operation of the ACHS Risk Framework and through review of reports from the Chief Executive Officer.

The BFARC meets at least twice a year, to endorse all risk monitoring, compliance, financial reporting, budgeting and forecasts for the Group. During the year, existing controls are in place to ensure all identified risks are managed within an acceptable level consistent with our risk appetite.

Members’ guarantee

ACHS is incorporated as a company limited by guarantee. In accordance with the company’s Constitution, each member of the company is liable to contribute $50 if the company is wound up during the time he/she is a member or within one year thereafter.

As at 30 June 2017 the total amount those members of the company were liable to contribute if the company was wound up was $1,500.

Auditor’s Independence Declaration

A copy of the auditor’s independence declaration as required under the Australian Charities and Not-for-profits Commission Act 2012 is set out on the following page.

This report is made in accordance with a resolution of directors.

On behalf of the directors

[Signature]

Professor Len Notaras AM
President

Sydney – 26th September 2017
AUDITOR’S INDEPENDENCE DECLARATION
TO THE RESPONSIBLE ENTITIES’ OF THE AUSTRALIAN COUNCIL ON HEALTHCARE STANDARDS
ABN 90 008 549 773

I declare that to the best of my knowledge and belief, during the year ended 30 June 2017 there have been no contraventions of:

i. the auditor’s 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.

M A ALEXANDER
Partner
PITCHER PARTNERS
Sydney
26 September 2017
BOARD OF DIRECTORS

Mr John Smith PSM (President)
MHA, Grad Dip HSM, FAICD, FAHSFMA, AFACHSM, AFAHRI, AFAIM, CHE,
► ACHS President from 2015
► ACHS Vice President, 2011-2015
► ACHS Treasurer, 2007-2011
► ACHS Board member from 2005
► ACHSI Treasurer, 2009-2012
► ACHSI President from 2015
► ACHSI Board member from 2008
► ACHS Councillor (Australian Hospital and Healthcare Association representative) from 2000
► Chief Executive Officer, West Wimmera Health Service 1965 - present
► National Councillor, AHHFA from 2000
► Director Victorian Healthcare Association, 1997-2004
► Board member, The Victorian Hospitals Industrial Association Limited from 1994
► Vice Chairman, The Victorian Hospitals Industrial Association Limited

Professor Len Notaras AM (Vice President)
AFCHSE, LLB, BA (Hons), DipComm, BMed, MHA, MA
► ACHS Vice-President from 2015
► ACHS Board member from 2002
► ACHSI Board member from 2009
► ACHS Councillor (Northern Territory Health representative) from 2002
► Chief Executive Officer (CEO), NT Department of Health
► Appointed Professor Fellow, Flinders University SA, July 2015

Mr Stephen Walker (Treasurer)
Ass DipEng, BA Bus, GradDipAcc, AFCHSE, MAICD
► ACHS Treasurer from 2012
► ACHSI Board member from 2011
► ACHS Board member from 2006
► ACHS Councillor (Australian Private Hospital Association representative) from 2006
► Chief Executive Officer, St Andrew’s Hospital, Adelaide from 2001
► Member, SA Clinical Training Council
► Past Vice President, SA branch
► Australian College of Health Service Management (ACHSM)
► Past ACHS and Quality Health New Zealand Surveyor

Ms Helen Dowling
BPharm, DipHospPharm (Admin), GradDipQI in HCare, FSHP, AICD
► ACHS Board member from 2008
► ACHS Surveyor from 2009
► Chair, ACHS Standards Committee, 2007-2012
► ACHS Standards Committee member from 2003
► ACHS Councillor (Allied Health Professional representative) from 2001
► Pharmacist Consultant Contractor, Australian Commission on Safety & Quality in Health Care from 2015
► Member ACSQHC Clinical Care Standards Advisory Committee from 2013
► Chief Executive Officer, The Society of Hospital Pharmacists of Australia from 2012-2015
► Member ACSQHC Health Services Medication Expert Advisory Committee from 2012-2015
► Member and President, Pharmacy Council of NSW, 2010-2015
► Member NSW Health Caring

Mr Tony Lawson

Dr David Lord

Mr Michael Roff

Adj. A/Prof Karen Linegar

A/Prof Brett Emmerson AM

Professor Geoffrey Dobb
BSc (Hons), MBBS, FRCP, FRCA, FANZCA, FCICM, FAMA
► ACHS Board Member from 2011
► ACHS Councillor (Australian Medical Association representative) from 2011
► Head of Department, Intensive Care, Royal Perth Hospital from 2005
► Chair, Advisory Council, Australian Organ and Tissue Authority
► Board Deputy Chair, Child and Adolescent Health Service, WA from 2016
► Director, Australian Medical Association Ltd from 2014
► Clinical Professor, School of Medicine and Pharmacology, University of WA
► Consultant in Intensive Care, St John of God Hospital, Subiaco, WA from 2006

Ms Helen Dowling
BPharm, DipHospPharm (Admin), GradDipQI in HCare, FSHP, AICD
► ACHS Board member from 2008
► ACHS Surveyor from 2009
► Chair, ACHS Standards Committee, 2007-2012
► ACHS Standards Committee member from 2003
► ACHS Councillor (Allied Health Professional representative) from 2001
► Pharmacist Consultant Contractor, Australian Commission on Safety & Quality in Health Care from 2015
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► Member ACSQHC Health Services Medication Expert Advisory Committee from 2012-2015
► Member and President, Pharmacy Council of NSW, 2010-2015
► Member NSW Health Caring

Mr John Smith PSM (President)
Prof Len Notaras AM (Vice-President)
Mr Stephen Walker (Treasurer)
Ms Helen Dowling

Adj. A/Prof Karen Linegar
Mr Tony Lawson
Dr David Lord
Mr Michael Roff
A/Prof Brett Emmerson AM

Professor Geoffrey Dobb

Ms Helen Dowling

Mr John Smith PSM (President)
Prof Len Notaras AM (Vice-President)
Mr Stephen Walker (Treasurer)
Ms Helen Dowling

Adj. A/Prof Karen Linegar
Mr Tony Lawson
Dr David Lord
Mr Michael Roff
A/Prof Brett Emmerson AM
ACHS Board Members | representing consumers, governments and the Australian healthcare industry

Mr Michael Roff
Grad Cert Mgt.
- ACHS Board member from 2004
- ACHS Councillor (Australian Private Hospital Association (APHA) representative) from 2004
- Chief Executive Officer, APHA from 2000 – current
- Member, National Health Performance Authority Advisory Committee for Private Hospitals, 2014-2016
- Member, Clinical Trials Advisory Committee, 2014-2016
- Member, Private Hospital Sector Committee (ACSQHC) from 2013
- Director, Australian Centre for Health Research, 2006-2010
- Member, National Health Performance Committee, 2000-2008
- Member, Private Health Industry Quality & Safety Committee, 2000-2004

Dr Noela Whitby AM
MBBS (Qld), Grad Dip HumNut, DPD, FRACGP, FAICD
- ACHS Vice-President, 2005-2007
- ACHS Board member, 2000-2009; 2012-present
- ACHS Councillor (RACGP representative), 2000-2009; 2012-present
- ACHSI Board member, 2006-2009
- Past ACHS Surveyor
- General Practice Principal, Carindale Medical Clinic, Brisbane from 1979
- Member, Medical Services Advisory Committee, Australian Government, from 2014
- Deputy Chair RACGP Queensland Faculty Board from 2013
- Chair, National Asthma Council Australia, 2008-2014
- Associate Professor of General Practice, Bond University, 2006-2007
- Director, National Asthma Council Australia, 2005-2014
- Chair, AGPAL, 2003–2006
- Director, Quality in Practice Pty Ltd, 2003–2006
- Chair, National Expert Committee on Standards of RACGP, 2002-2005
- Director, AGPAL, 2000-2006
- Fellow of the AICD

Note: Board Member’s respective work histories only date back to approximately the year 2000 | Substantive positions are indicated in bold.
### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017 $</th>
<th>2016 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from services [continuing operations]</td>
<td>2</td>
<td>14,421,745</td>
</tr>
<tr>
<td>Other revenue</td>
<td>2</td>
<td>425,893</td>
</tr>
<tr>
<td>Total revenue</td>
<td>2</td>
<td>14,847,638</td>
</tr>
<tr>
<td>Communications and marketing expenses</td>
<td></td>
<td>(281,608)</td>
</tr>
<tr>
<td>Accreditation program support and development costs</td>
<td></td>
<td>(6,872,641)</td>
</tr>
<tr>
<td>Administration expenses</td>
<td></td>
<td>(540,460)</td>
</tr>
<tr>
<td>Survey costs</td>
<td></td>
<td>(4,530,630)</td>
</tr>
<tr>
<td>Other expenses</td>
<td></td>
<td>(390,645)</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td></td>
<td>2,231,654</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td></td>
<td>2,231,654</td>
</tr>
</tbody>
</table>

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

<table>
<thead>
<tr>
<th>Current assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>4</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>5</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>6</td>
</tr>
<tr>
<td>Other assets</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>16,351,584</td>
</tr>
<tr>
<td>Non-current assets</td>
<td></td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>8</td>
</tr>
<tr>
<td>Land and building</td>
<td>9</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>6</td>
</tr>
<tr>
<td>Other assets</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>2,399,809</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>18,751,393</td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>10</td>
</tr>
<tr>
<td>Provisions</td>
<td>11</td>
</tr>
<tr>
<td>Unearned income</td>
<td>12</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>13</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>11,495,806</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td></td>
</tr>
<tr>
<td>Employee benefits</td>
<td>13</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>134,994</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>11,630,800</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td>7,120,593</td>
</tr>
<tr>
<td>Equity</td>
<td></td>
</tr>
<tr>
<td>Retained Surplus</td>
<td></td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>7,120,593</td>
</tr>
</tbody>
</table>
### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

<table>
<thead>
<tr>
<th></th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as at 30 June 2015</td>
<td>3,564,426</td>
</tr>
<tr>
<td>Surplus attributable to members for year ended 30 June 2016</td>
<td>1,324,513</td>
</tr>
<tr>
<td><strong>Balance as at 30 June 2016</strong></td>
<td><strong>4,888,939</strong></td>
</tr>
<tr>
<td>Surplus attributable to members for year ended 30 June 2017</td>
<td>2,231,654</td>
</tr>
<tr>
<td><strong>Balance as at 30 June 2017</strong></td>
<td><strong>7,120,593</strong></td>
</tr>
</tbody>
</table>

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017 $</th>
<th>2016 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from customers</td>
<td>15,743,641</td>
<td>12,394,940</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(13,219,399)</td>
<td>(10,581,972)</td>
</tr>
<tr>
<td>Interest received</td>
<td>305,107</td>
<td>223,291</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>2,829,349</td>
<td>2,036,259</td>
</tr>
<tr>
<td><strong>Net cash (used in)/provided by</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of property, plant and equipment</td>
<td>(21,086)</td>
<td>(129,863)</td>
</tr>
<tr>
<td>(Disposal)/Acquisition of investment and short term deposits</td>
<td>(688,147)</td>
<td>5,269,302</td>
</tr>
<tr>
<td>Net increase in cash held</td>
<td>(709,233)</td>
<td>5,139,439</td>
</tr>
<tr>
<td><strong>Net (decrease)/increase in cash held</strong></td>
<td>2,120,116</td>
<td>7,175,698</td>
</tr>
<tr>
<td>Cash at the beginning of the financial year</td>
<td>9,180,980</td>
<td>2,005,282</td>
</tr>
<tr>
<td><strong>Cash at the end of the financial year</strong></td>
<td>11,301,096</td>
<td>9,180,980</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS

General information and statement of compliance

The financial report includes the consolidated financial statements and notes of The Australian Council on Healthcare Standards Limited and its controlled entities (collectively referred to as the “Group”).

The consolidated financial statements for the year ended 30 June 2017 were approved and authorised for issue by the board of directors on 26 September 2017. The Board has the power to amend and re-issue the financial report.

Note 1: Statement of significant accounting policies

The financial report covers the consolidated entity consisting of The Australian Council on Healthcare Standards Limited (“ACHS”) and its controlled entities. The parent entity is a company limited by guarantee, incorporated and domiciled in Australia.

a) Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with:

- Applicable Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (“AASB”)
- Australian Accounting Interpretations and
- Other authoritative pronouncements of the Australian Accounting Standard Board (“AASB”)
- Australian Charities and Not-for-profits Commission Act 2012.

The accounting policies have been applied to all periods presented in these financial statements and have been applied consistently.

The financial report has been prepared in Australian dollars on an accruals basis and is based on historical costs, and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

b) Basis of consolidation

All inter-company balances and transactions between entities in the Group, including unrealised surpluses or deficits, have been eliminated on consolidation. Accounting policies of subsidiaries are changed where necessary to ensure consistency with policies applied by the parent entity.

c) Property, plant and equipment

Property, plant and equipment are brought to account at cost, less, where applicable, any accumulated depreciation and impairment losses plus costs incidental to acquisition.

The carrying amount of property, plant and equipment is reviewed annually by the Board to ensure that it is not in excess of the recoverable amount of these assets.

The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets’ employment and subsequent disposal.

The expected net cash flows have not been discounted to present values in determining recoverable amount.

Depreciation

The depreciable amount of all fixed assets excluding freehold property are depreciated on a straight line basis over their estimated useful lives to the entity commencing from the time the asset is held ready for use.

The useful lives used for each class of depreciable assets are:

<table>
<thead>
<tr>
<th>Class of fixed assets</th>
<th>Depreciation rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer and IT Equipment</td>
<td>3 years</td>
</tr>
<tr>
<td>Office Equipment</td>
<td>5 years</td>
</tr>
<tr>
<td>Furniture and Fittings</td>
<td>10 years</td>
</tr>
<tr>
<td>Freehold Building</td>
<td>40 years</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS

The asset's residual values and useful lives are reviewed and adjusted if appropriate at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

d) Impairment of assets
At each reporting date, the Group reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair values less costs to sell, and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit and loss.

e) Income tax
ACHS has received confirmation from the Australian Taxation Office that its income is exempt from income tax pursuant to Section 50-5 of the Income Tax Assessment Act 1997 and accordingly the company does not have any liability for income tax.

The controlled entity is a taxable entity. The charge for current tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that are applicable during the financial year.

f) Employee benefits
Liabilities for wages and salaries, annual leave and related on-costs are recognised and measured as the amount unpaid in respect of employees' services up to that date.

The Long Service Leave provision is based on the remuneration rates at year end for all employees plus related on costs. It is considered that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred.

g) Provisions
Provisions are recognised when the Group has a legal or constructive present obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

h) 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 balance sheet.

i) Trade and other receivables
Other receivables are recognised at amortised cost, less any provision for impairment.

j) Leases
Lease expenditure relating to leases deemed to be “operating leases” is expensed as incurred. Operating lease commitments outstanding at balance date include guaranteed residual values.

k) Goods and services tax (“GST”)
Revenues, expenses and assets are recognised net of the amount of GST, except for the following:

- Where amount of GST incurred is not recoverable from the Australian Taxation Office. If so, it is recognised as part of the cost of acquisition of the asset or as part of an item of expense;
- Receivables and payables are stated including the amount of GST.

l) Revenue from services
Revenue from services comprises revenue earned (net of returns, discounts and allowances) from the business activities and is recognised as follows:

- Membership fees are brought to account on a “percentage of completion” basis over the period of the contract concerned.

All revenue is stated net of the amount of goods and services tax (“GST”).
m) Trade and other creditors
Liabilities are recognised for goods or services received prior to the end of the reporting period and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

n) Interest and dividend income
Interest income is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Dividend income is recognised at the time the right to receive payment is established.

o) Government grants
Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

p) 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.

Provision for impairment of receivables
The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor’s financial position.

q) New accounting standards for application in future periods
The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods.

The Directors consider that these standards and interpretations will not significantly affect the Group’s financial reporting in future financial periods.
NOTES TO THE FINANCIAL STATEMENTS

Note 2: Revenue from continuing operations comprises revenue from the following:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership fees</td>
<td>12,806,670</td>
<td>10,839,938</td>
</tr>
<tr>
<td>Improvement Academy and consultancy</td>
<td>895,385</td>
<td>480,898</td>
</tr>
<tr>
<td>Projects</td>
<td>213,000</td>
<td>19,818</td>
</tr>
<tr>
<td>Publications</td>
<td>360</td>
<td>15,901</td>
</tr>
<tr>
<td>Other revenue</td>
<td>506,330</td>
<td>332,884</td>
</tr>
<tr>
<td><strong>Revenue from ordinary activities</strong></td>
<td><strong>14,421,745</strong></td>
<td><strong>11,689,439</strong></td>
</tr>
</tbody>
</table>

| **Other**             |            |            |
| Grants received       | 103,100    | 100,600    |
| Interest received from financial institutions | 305,107    | 223,291    |
| Other income          | 17,686     | 32,353     |
| **Total other income**| 425,893    | 356,244    |
| **Total operating revenue** | **14,847,638** | **12,045,683** |

Note 3. Expenses

Surplus before income tax includes the following specific expenses:

Cost of sales
Cost of sales | 4,530,630 | 2,915,687 |

Superannuation expense
Defined contribution superannuation expense | 469,355 | 464,603 |

Depreciation and amortisation expense
Depreciation and amortisation expense | 172,967 | 171,773 |

Note 4: Cash and cash equivalent

Cash on hand | 3,950 | 4,436 |
Cash at bank | 1,865,003 | 3,606,289 |
Term deposits | 9,432,143 | 5,570,255 |
Total cash | 11,301,096 | 9,180,980 |

Note 5: Current assets - Trade and other receivables

Trade debtors | 1,705,969 | 1,699,400 |
Less: Provision for doubtful debts | (206,483) | (86,582) |
Total Current assets – Trade and other receivables | 1,499,486 | 1,612,818 |

Impairment of receivables
The consolidated entity has not recognised a loss in respect of impairment of receivables for the year ended 30 June 2017.
NOTES TO THE FINANCIAL STATEMENTS

**Note 5: Current assets - Trade and other receivables (continued)**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>86,582</td>
<td>96,129</td>
</tr>
<tr>
<td>Credit notes</td>
<td>-</td>
<td>(4,466)</td>
</tr>
<tr>
<td>Additional provisions</td>
<td>119,901</td>
<td>-</td>
</tr>
<tr>
<td>Unused amounts reversed</td>
<td>-</td>
<td>(5,081)</td>
</tr>
<tr>
<td><strong>Closing balance</strong></td>
<td>206,483</td>
<td>86,582</td>
</tr>
</tbody>
</table>

**Note 6: Other financial assets**

**Current**

Held to maturity investments (term deposits) 3,500,000 2,800,000

**Non-current**

Available for sale – financial assets - 11,852

**Note 7: Other assets**

**Current**

Prepayments 51,002 82,250

**Non-current**

Cash deposit to support bank guarantee 237,986 235,180

**Note 8: Plant and equipment**

Furniture and fittings – at cost 105,994 105,994

Less: Accumulated depreciation (100,910) (97,309)

Net book value 5,084 8,685

Office equipment – at cost 45,954 45,954

Less: Accumulated depreciation (44,389) (41,927)

Net book value 1,565 4,027

Information technology – at cost 460,741 439,655

Less: Accumulated depreciation (379,864) (323,509)

Net book value 80,877 116,146

**Net book value, plant and equipment** 87,826 128,858
## NOTES TO THE FINANCIAL STATEMENTS

### Note 9: Land and building

<table>
<thead>
<tr>
<th></th>
<th>Consolidated</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017 $</td>
<td>2016 $</td>
<td></td>
</tr>
<tr>
<td>Land – at cost</td>
<td>380,000</td>
<td>380,000</td>
<td></td>
</tr>
<tr>
<td>Building – at cost</td>
<td>1,425,454</td>
<td>1,425,454</td>
<td></td>
</tr>
<tr>
<td>Less: Accumulated depreciation</td>
<td>(659,270)</td>
<td>(623,634)</td>
<td></td>
</tr>
<tr>
<td>Net book value</td>
<td>766,184</td>
<td>801,820</td>
<td></td>
</tr>
<tr>
<td>Building improvements – at cost</td>
<td>1,954,184</td>
<td>1,954,184</td>
<td></td>
</tr>
<tr>
<td>Less: Accumulated depreciation</td>
<td>(1,026,071)</td>
<td>(951,158)</td>
<td></td>
</tr>
<tr>
<td>Net book value</td>
<td>928,113</td>
<td>1,003,026</td>
<td></td>
</tr>
<tr>
<td>Net book value, land and building</td>
<td>2,074,297</td>
<td>2,184,846</td>
<td></td>
</tr>
</tbody>
</table>

### Movement in carrying amounts for Plant and Equipment and Land and Building:

<table>
<thead>
<tr>
<th></th>
<th>Freehold Land</th>
<th>Buildings</th>
<th>Furniture and Fittings</th>
<th>Office Equipment</th>
<th>Information Technology</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Balance at 1 July 2015</strong></td>
<td>380,000</td>
<td>1,881,198</td>
<td>12,429</td>
<td>6,490</td>
<td>75,497</td>
<td>2,355,614</td>
</tr>
<tr>
<td><strong>Additions</strong></td>
<td>-</td>
<td>34,000</td>
<td>-</td>
<td>-</td>
<td>95,863</td>
<td>129,863</td>
</tr>
<tr>
<td><strong>Depreciation expense</strong></td>
<td>-</td>
<td>(110,352)</td>
<td>(3,744)</td>
<td>(2,463)</td>
<td>(55,214)</td>
<td>(171,773)</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2016</strong></td>
<td>380,000</td>
<td>1,804,846</td>
<td>8,685</td>
<td>4,027</td>
<td>116,146</td>
<td>2,313,704</td>
</tr>
<tr>
<td><strong>Additions</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>21,086</td>
<td>21,086</td>
</tr>
<tr>
<td><strong>Depreciation expense</strong></td>
<td>-</td>
<td>(110,549)</td>
<td>(3,601)</td>
<td>(2,462)</td>
<td>(56,355)</td>
<td>(172,967)</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2017</strong></td>
<td>380,000</td>
<td>1,694,297</td>
<td>5,084</td>
<td>1,565</td>
<td>80,877</td>
<td>2,161,823</td>
</tr>
</tbody>
</table>

### Note 10: Trade and other payables

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>702,315</td>
<td>579,142</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>22,495</td>
<td>45,330</td>
</tr>
<tr>
<td><strong>Total trade payables</strong></td>
<td>724,810</td>
<td>624,472</td>
</tr>
</tbody>
</table>

### Note 11: Provisions - current

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract costs to complete</td>
<td>30,000</td>
<td>33,000</td>
</tr>
<tr>
<td><strong>Total provisions</strong></td>
<td>30,000</td>
<td>33,000</td>
</tr>
</tbody>
</table>
## Notes to the Financial Statements

### Note 12: Unearned Income

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Future income</td>
<td>32,980,448</td>
<td>31,627,659</td>
</tr>
<tr>
<td>Recognised future income</td>
<td>(25,139,931)</td>
<td>(23,714,961)</td>
</tr>
<tr>
<td>Work in progress</td>
<td>(9,042,658)</td>
<td>(8,320,186)</td>
</tr>
<tr>
<td>Recognised work in progress</td>
<td>10,905,857</td>
<td>10,070,484</td>
</tr>
<tr>
<td>Total unearned income</td>
<td>9,703,716</td>
<td>9,662,996</td>
</tr>
</tbody>
</table>

### Note 13: Employee Benefits

#### Current

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual leave</td>
<td>474,464</td>
<td>386,495</td>
</tr>
<tr>
<td>Long service leave</td>
<td>531,088</td>
<td>486,521</td>
</tr>
<tr>
<td>Superannuation</td>
<td>31,728</td>
<td>16,988</td>
</tr>
<tr>
<td>Total current employee benefits</td>
<td>1,037,280</td>
<td>890,004</td>
</tr>
</tbody>
</table>

#### Non-current

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long service leave</td>
<td>134,994</td>
<td>137,373</td>
</tr>
</tbody>
</table>

### Note 14. Key Management Personnel Disclosures

#### Compensation

The aggregate compensation made to key management personnel of the consolidated entity is set out below:

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate compensation</td>
<td>1,269,967</td>
<td>1,232,977</td>
</tr>
</tbody>
</table>

### Note 15: Reconciliation of cash flow from operations with operating surplus after income tax

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating surplus after income tax</td>
<td>2,231,654</td>
<td>1,324,513</td>
</tr>
<tr>
<td>Non cash flows in operating surplus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and loss on disposal of assets</td>
<td>172,967</td>
<td>171,773</td>
</tr>
</tbody>
</table>

#### Changes in assets and liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase/(Decrease) in trade and term debtors</td>
<td>110,526</td>
<td>(576,521)</td>
</tr>
<tr>
<td>Increase in other liabilities</td>
<td>141,898</td>
<td>75,654</td>
</tr>
<tr>
<td>Increase in movement in WIP/Unearned income</td>
<td>40,717</td>
<td>1,165,866</td>
</tr>
<tr>
<td>Decrease/(Increase) in pre-payments</td>
<td>31,248</td>
<td>(15,562)</td>
</tr>
<tr>
<td>Decrease/(Increase) in trade creditors and accruals</td>
<td>100,339</td>
<td>(109,464)</td>
</tr>
<tr>
<td>Total cash flows from operating activities</td>
<td>2,829,349</td>
<td>2,036,259</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS

Note 16: Remuneration of Board members and other Councillors
The Board of Directors and Councillors of The Australian Council on Healthcare Standards Limited during the financial year are listed in the Annual Report of the Board.

Apart from amounts received by way of reimbursement for expenses incurred in the attendance at various Executive and Committee Member's meetings, no amounts were received by a Committee Member or Councillor in connection with the management of the affairs of the Company.

Note 17: Related party transactions
Other than payment of membership fees by entities associated with Directors or Councillors, there have been no transactions between the Group and related parties of the Group which require separate disclosure.

Note 18: Financial instruments
Financial risk management
The Group’s financial instruments consist mainly of deposits with banks, and accounts receivable and payable. The Group does not have any derivatives at 30 June 2017.

<table>
<thead>
<tr>
<th>Financial assets</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>4</td>
<td>11,301,096</td>
</tr>
<tr>
<td>Receivables</td>
<td>5</td>
<td>1,499,486</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>6</td>
<td>3,500,000</td>
</tr>
<tr>
<td>Available-for-sale financial assets</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total financial assets</strong></td>
<td></td>
<td><strong>16,300,582</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>10</td>
<td>724,810</td>
</tr>
<tr>
<td><strong>Total financial liabilities</strong></td>
<td></td>
<td><strong>724,810</strong></td>
</tr>
</tbody>
</table>

Note 19: Company details
The registered office and principal place of business is located at:

No. 5 Macarthur Street
ULTIMO, NSW 2007
AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS

Note 20: Controlled entities
The consolidated financial statements incorporate the assets and liabilities of the controlled entities as set out below:

<table>
<thead>
<tr>
<th>Country of Incorporation</th>
<th>Equity Holdings 2017</th>
<th>Equity Holdings 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>ACHS International Pty Limited</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>ACHS (Asia Pacific) Private Limited</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Note 21: Parent entity information
The individual financial statements of the parent entity show the following aggregate amounts

<table>
<thead>
<tr>
<th>Statement of financial position</th>
<th>2017 $</th>
<th>2016 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td>13,014,909</td>
<td>12,759,123</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>2,302,065</td>
<td>2,570,736</td>
</tr>
<tr>
<td>Total assets</td>
<td>15,316,974</td>
<td>15,329,859</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>7,862,061</td>
<td>9,817,261</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>134,994</td>
<td>137,373</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>7,997,055</td>
<td>9,954,634</td>
</tr>
<tr>
<td>Net assets</td>
<td>7,319,919</td>
<td>5,375,225</td>
</tr>
<tr>
<td>Equity</td>
<td>7,319,919</td>
<td>5,375,225</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>1,944,694</td>
<td>1,192,875</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>1,944,694</td>
<td>1,192,875</td>
</tr>
</tbody>
</table>

ACHS has not entered into any guarantees, in the current or previous financial years, in relation to the debts of its subsidiaries.
RESPONSIBLE ENTITIES DECLARATION

The responsible entities declare that in the responsible entities’ opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and

- the financial statements and notes for the year ending 30 June 2017 satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.

Responsible person

[Signature]

Professor Len Notaras AM
President

Sydney – 26th September 2017
INDEPENDENT AUDITOR’S REPORT
THE AUSTRALIAN COUNCIL ON HEALTHCARE STANDARDS
ABN 90 008 549 773


Opinion

We have audited the financial report of The Australian Council on Healthcare Standards, “the Registered Entity” and its subsidiaries “the Group”, which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities’ declaration.

In our opinion the financial report of The Australian Council on Healthcare Standards 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 Group’s financial position as at 30 June 2017 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) 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 Group in accordance with the auditor independence requirements of the Australian Charities and Not for-profits Commission Act 2012 “ACNC Act” 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 comprises the information included in the Company’s directors report for the year ended 30 June 2017, 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.
INDEPENDENT AUDITOR’S REPORT
THE AUSTRALIAN COUNCIL ON HEALTHCARE STANDARDS
ABN 90 008 549 773

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 Responsible Entities for the Financial Report

The responsible entities of the Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the responsible entities are responsible for assessing the Group’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 the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Registered Entity’s financial reporting process.

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 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 Group’s internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.
INDEPENDENT AUDITOR’S REPORT
THE AUSTRALIAN COUNCIL ON HEALTHCARE STANDARDS
ABN 90 008 549 773

- Conclude on the appropriateness of the responsible entities’ 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 Group’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 Group 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.
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

Report on Other Legal and Regulatory Requirements

In our opinion the financial report of The Australian Council on Healthcare Standards is in accordance with the Charitable Fundraising Act 1991 (the “NSW Act”), including:

a) the financial report of the Group shows a true and fair view of the financial results of fundraising appeals for the year ended 30 June 2017;

b) the financial report and associated records of the Group have been properly kept during the year in accordance with the NSW Act;

c) money received as a result of fund raising appeals conducted during the year ended 30 June 2017 has been properly accounted for and applied in accordance with the NSW Act; and

as at the date of this statement there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

MELISSA ALEXANDER
Partner

PITCHER PARTNERS
Sydney

26 September 2017
Presentations and Submissions

► Department of Health

Single Aged Care Quality Framework
April 2017

► Australian Commission on Safety and Quality in Health Care

Draft National Safety and Quality Health Service Standards (second edition) user guide for hospitals
April 2017
## Glossary of terms

**Definitions in this glossary are for use in the context of this Report**

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accreditation</td>
<td>Public recognition of achievement by a healthcare organisation, of requirements of national healthcare standards</td>
</tr>
<tr>
<td>Clinical Indicator</td>
<td>A measure of the clinical management and outcome of care; a method of monitoring consumer / patient care and services which attempts to ‘flag’ problem areas, evaluate trends and so direct attention to issues requiring further review</td>
</tr>
<tr>
<td>EQuIPNational</td>
<td>Contains the 10 NSQHS Standards and the 5 additional standards derived from EQuIP5</td>
</tr>
<tr>
<td>Surveyor</td>
<td>A health professional trained by ACHS to assess the performance of healthcare organisations against EQuIP standards and other quality improvement programs</td>
</tr>
</tbody>
</table>