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
EQuIP – Evaluation and Quality Improvement Program
EQuIPNational – The EQuIPNational program
EQuIP6 – the 6th edition of the ACHS Evaluation and Quality Improvement Program
ISQua – The International Society for Quality in Health Care
NSQHSS – National Safety and Quality Health Service Standards
PIRT – Performance Indicator Reporting Tool
PR – Periodic Review
QI – Quality Improvement
RACGP – The Royal Australian College of General Practitioners
SAC – State Advisory Committee
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inside back cover
ACHS reviewed and updated its Corporate Strategic Plan in March 2018, reconfirming its future vision:

INSPIRING EXCELLENCE IN HEALTHCARE
MISSION

ACHS provides a partnership approach to continuous improvement tailored to the needs of individual services and health systems using its expertise in standards, accreditation, education and training.

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

Our History
The Australian Council on Healthcare Standards (ACHS) is now into its fifth decade having celebrated its 40th anniversary in 2014. Since its establishment in 1974, the ACHS has continued to be an independent, not-for-profit organisation dedicated to improving the quality of healthcare.
Over the past 10 years it has emerged as a global leader in healthcare standards and accreditation and is expanding this expertise into education, training and consultancy services.

The Council
The Council exists to support and direct Australia’s largest healthcare accreditation agency.
◉ We support both the national accreditation system as well as developing our own accreditation programs.
◉ ACHS has an enviable reputation as an independent, healthcare accreditation provider exporting its successful model of accreditation to 18 countries.
◉ In 2017-18 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 more than 400 surveyors,
◉ We continue to invest in education and developing the surveyor workforce to build on their inherent strengths,
◉ The majority of our surveyors continue to work in full-time roles as health professionals.

Funding
As a not-for-profit, ACHS is a company limited by guarantee, and as such is recognised by the Australian Securities and Investments Commission (ASIC).
The majority of our funding continues to be derived from membership fees.
Our education services attract a broad cross-section of the health community and supplement our income streams.

Partnerships
ACHS continues 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
Throughout 2017-18, ACHS developed EQuIP6 Aged Care Services for our international markets with planned approval by the ACHS Board for July 2018.
STRATEGIC GOALS

Our Strategic Goals for the future were reviewed and updated in March 2018 to:

1. Provide industry-leading customer service
   To listen and be responsive to our customers’ needs; tailoring our approaches to organisational maturity and progress against their improvement journeys.

2. Inspire individual and organisational performance
   Inspire our organisation and our people to always be the best by ensuring our workplace celebrates and fosters creativity and innovation and, by providing strong leadership which creates a values-based organisational environment.

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

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

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 supporting learning and development, using data to create knowledge and, actively seek new opportunities to share information that drives improvement.
Governance

A new Constitution was unanimously agreed to by the Council at the June 2017 Council meeting and special general meeting, changing the structure of the Board from entirely member-elected members to allow for Board-appointed positions. This changed the Board structure to seven member-elected and four Board-appointed

At the ACHS Annual General meeting on Thursday, 23 November 2017, Dr Len Notaras AM was elected as President.

Following the revised Board structure, the office-bearer position of Treasurer was discontinued, as it is recognised that the entire Board of Directors takes responsibility for the financial well-being of the organisation.

The outgoing President Mr John Smith PSM was thanked by the Board of Directors for his long-standing contribution of service to ACHS, in the roles of ACHS Board member from 2005, ACHS Treasurer 2007 – 2011, ACHS Vice President 2011-2015 and ACHS President 2015-2017.

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

Strategic Alliances

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

◉ High level visits to jurisdictions, as well as key members, private and public stakeholders, in Australia and overseas.
◉ Targetted projects with partners to ensure models of accreditation are contemporary as well as best practice.
◉ Work with partners to extend healthcare accreditation into other areas of healthcare.
◉ Communicating openly with our members and the industry in sharing beneficial feedback and information.

Achievements

Strategic projects undertaken included:

◉ The ongoing development and assessment of the Short Notice Accreditation Assessment Program (SNAAP) continues apace, with encouraging levels of support from the industry in both accepting and promoting the methodology. This is a significant realignment of shifting organisational culture from an ‘event’ mindset, to accreditation as an ongoing process or ‘constantly ready’.
◉ The foundational early stages of the Exemplar Program got underway with work commencing by some members on preparing their first proposals. This program recognises a system or service within a healthcare organisation that has achieved and sustained high performance results.
A strategic new partnership with the Institute for Healthcare Innovation (IHI) and the British Medical Journal (BMJ)’s International Forum on Quality & Safety in Healthcare, held in Melbourne 10 – 12 September attracted an impressive 1,575 registrants from Australia and overseas.

Submitted our triennial application to the Australian Commission on Safety and Quality in Health Care (ACSQHC) to be considered as an approved accrediting agency for the National Quality and Safety Health Service Standards second edition for 2019.

Acknowledgements

With each passing year, the importance of the role of the Australian Council on Healthcare Standards (ACHS) and the impact it has on health care in Australia and overseas is better understood.

While our role continues to evolve, our unwavering commitment to excellence has seen us expand our offerings, grow our membership and continue to be a leading global provider of standards and accreditation services.

On behalf of the Board of Directors I congratulate the Executive, the staff and the ACHS surveyors who continue to play their part in supporting Australian and overseas healthcare system to deliver better and safer care to patients.

Every part of this organisation – whether it is the Corporate Services team, Development Unit, Customer Services Managers team, Communications or the International team, have collaboratively achieved a great deal over a relatively brief 12-months.

Each improvement that has been made builds on the success of our past and paves a very clear path for a strong future.

Our role as a healthcare accreditation provider with a long history but a flexible attitude continues to be one that navigates a complex environment to ensure we can deliver a high level of service to members and meet their needs.

The role of the surveyors continues to change and adapt as new accreditation programs unfold, and we thank all those surveyors who have continued to be part of our journey and who generously share their knowledge and time with their peers. We are both very grateful and appreciative of your efforts.

The Board of Directors takes pride in the many achievements that have been made and continue to be made by the dedicated people who constitute the ACHS community. They are the very backbone of the organisation, ambassadors and initiators who continue selflessly to make “our” organisation great.

This report shares their achievements with you, the reader, and we trust you will share this level of pride too.

We commend this report to you.

Professor Len Notaras AM
President
Board of Directors

Dr Christine Dennis
Chief Executive Officer
The winds of change swept through Sydney from 27-30 September as the joint Australian Council on Healthcare Standards (ACHS) and the Australasian College of Health Service Management (ACHSM) congress 2017 – on Health Leadership with a nautical theme of ‘The winds of change - adjust your sails’ enjoyed more than 560 registrants and a wealth of topical, informative speakers including Helen Bevan, Dr Ray Pentecost and Lesley Dwyer.

ACHS/ACHSI attends the International Health Institute / BMJ Asia Pacific Forum in Singapore in September and the ISQua Conference in Tokyo in October.

ACHS launched its latest offering - ACHS Accreditation for General Practices (aagp) at the annual industry conference for General Practices held in Sydney at the new Sydney Convention Centre on 26 October. The first induction program for surveyors to the program is held in February, followed by the first survey.

Following the retirement of Dr Desmond Yen in late 2017, Mr Michael Giuliano is appointed as the new Executive Director for ACHSI.

The ACHS Medal 2017 is awarded to Miss Rosemary Snodgrass, an esteemed ACHS surveyor of 24 year’s standing. Rosemary’s generosity in sharing her passion for continuous quality improvement and her wealth of knowledge was noted. The Medal was presented by ACHS President Professor Len Notaras AM, and guest speaker Ms Ita Buttrose AO OBE.

The Australasian Clinical Indicator Report 2009 – 2016 (18th edition) was launched in Sydney 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.

Royal Brisbane and Women’s Hospital (QLD) won the Clinical Excellence and Patient Safety Award, North Eastern Community Hospital, (SA) won the Non-Clinical Service Delivery Award and Nepean Blue Mountains Local Health District (NSW) won the Healthcare Measurement Award.

The ACHS Board re- elects Prof Len Notaras AM as its President at the Annual General Meeting, held in Sydney on November.

Three Clinical Indicators sets were updated in the first half of: Infection Control, Radiation Oncology and Radiology.

One of ACHS’s longest dedicated serving surveyors, Arthur Wooster retires. We thank him for his enormous contribution to ACHS over many surveys.

The new National Safety and Quality Healthcare (NSQHS) Standards second edition were released by the Australian Commission on Quality and Safety in Health Care (ACSQHC) in November 2017 with a planned commencement date of 1 January, 2019.

ACHS undergoes its own accreditation survey, through the International Society for Quality in Health Care (ISQua) in November, with only two recommendations given.

A national Coordinator Development Day was held in Melbourne in February and multiple State Advisory Committee (SAC) meetings were held around Australia throughout the year.

The first Quality Improvement Lead graduation ceremonies get underway in December 2017 with a cohort of participants graduating after completing the 10-month long courses.

The ACHS Improvement Academy hosts Professor Jason Leitch in the Sydney office and we hosted his visit to the newly opened New Royal Adelaide Hospital in SA to discuss his experience as the Scottish Government’s National Clinical Director Healthcare Quality and Strategy and the advances made in the last decade.

The South Australian Ambulance Service becomes the first ambulance service in Australia to become accredited to the NSQHS Standards.

In early March ACHS loses two of its longest-serving surveyors, Miss Rosemary Snodgrass (22 years), and Mrs June Graham (18 years). Both contributed enormously to ACHS as surveyors and were each highly regarded by their fellow ACHS surveyors for their knowledge and commitment to bringing quality and safety to healthcare.

Details of the new NSQHS Standards second edition are released with eight standards and 148 actions, compared with the original 10 standards and 256 actions in the first edition. Approximately 65% of the new actions relate directly to the first edition ones, with the remaining 34% in the second edition being new content.
1. Dr Christine Dennis presents an accreditation certificate to the SA Ambulance Service in January 2018.
2. ACHS undergoes an ISQua survey in November 2017.
3. Education workshops undertaken in Osaka were highly regarded by participants.
4. ACHS surveyors visit the Australian Medical Assistance Teams (AUSMAT) field hospital in Darwin.
5. NSW Secretary of Health Ms Elizabeth Koff speaks at the ACHS-ACHSM Joint Congress in Sydney, Sept 2017.
6. Some of the 570 Congress registrants
**OUR PERFORMANCE**

**Our Executive Team**

**Dr Christine Dennis**  
BA Nursing, MHSM, DBA, Adjunct Associate Professor, Faculty Health Sciences, Flinders University, SA, FCHSM, FAQHC  
**ACHS CEO**  
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.  
Past positions have included CEO Southern Adelaide Local Health Network; Chief Operating Officer, Top End Health Service; and, acting CE Northern Territory Health.  
Christine’s career has included many and varied positions both within Health Services and in Health Departments. Christine also worked as Manager of the State Coroner’s Office in SA and, has provided education and training consultancies nationally and internationally. Areas of expertise include strategic and operational planning, quality and safety systems and, organisational change. Christine was appointed to the role of CEO ACHS in July 2014.

**Dr Lena Low**  
PhD, MBA, Dip AICD, Dip VET, Dip TDD, FAICD, FAAQHC, AFACHSM  
**Executive Director – Corporate and Surveyor Workforce**  
Dr Low has been involved in health care since 1995. She is responsible for financial management, information technology, human resources and logistics management, education and performance management of more than 400 assessors in Australia and overseas. Dr Low’s previous experiences includes interim Chief Executive Officer and Company Secretary positions.  
Dr Low has a PHD, an MBA degree and has a Diploma of Vocational Education & Training and Diploma of Training Design & Development. She is an Adjunct Fellow at Macquarie University.  
Dr Low sits on the ISQua Accreditation Council, is an ISQua surveyor, member of the ‘ISQua Experts’ panel and reviewer of the ISQua International Journal. She is also a Board Director of one of Sydney’s private golf clubs.

**Ms Linda O’Connor**  
BAppSc, Grad Dip (Med Ultrasound), MA (Org Com), AMS, CPHQ, GAICD, AMP  
**Executive Director – Customer Services and Development**  
Ms O’Connor is responsible for standards and product development, customer services, contract management and the clinical indicator program. Ms O’Connor has worked in healthcare for 25 years, is a Board Certified Professional in Healthcare Quality.  
Ms O’Connor was in the senior management team of Harvard Medical International, working between Boston and Dubai to establish the Center for Healthcare Planning and Quality, Dubai Healthcare City.  
A qualified ultrasonographer she was a member of the Commonwealth BreastScreen Australia Accreditation Review Committee. She holds a Master’s Degree in Organisational Communication, an AICD graduate, and is a surveyor for ISQua. Linda is a member of the Harvard Club of Australia, and a graduate of the Harvard Business School Advanced Management Program.

**Mr Michael Giuliano**  
BSc, MSc  
**Executive Director - International Business**  
Mr Giuliano joined ACHS in 2017 from St John of God Health Care in Melbourne where he led large organisational transformation programs. Michael has been a healthcare management consultant both in Perth and New York focusing on service commissioning and operational improvements for hospital providers and pharmaceutical companies. Michael has a Black Belt in Lean Six Sigma with a focus on healthcare.  
Michael holds a joint Master’s degree from the London School of Economics & Political Science and the London School of Hygiene & Tropical Medicine with a focus on health system planning, policy, and financing. He has a Bachelor’s degree from The Wharton School at the University of Pennsylvania concentrating on operations and healthcare management.  
He has lived in South Korea as part of his undergraduate studies and worked for Asiana Airlines.
The following citation was given on 28 September 2017

ACHS Citation 2017 – Winner – Miss Rosemary Snodgrass

Rosemary has shared her passion for continuous quality improvement across all states and territories of Australia whilst working for ACHS in Sydney and as a lead surveyor for many years.

Rosemary has been instrumental in educating and assisting staff by providing concrete examples and imparting her knowledge gained from across Australia. Rosemary has always shared information readily and is able to convey it in an easily understandable format.

Many hospital staff being surveyed have commented on the calm, friendly approach that Rosemary employs to inform people about methods and approaches that could be taken to improve safety and quality performance across a wide variety of public and private organisations.

As an advocate of quality improvement, Rosemary ensures the positives are highlighted and linkages with outstanding organisations or projects are disseminated which other organisations can emulate.

Rosemary always appears to have time for everybody and regards possible recommendations as an opportunity to improve services. This inspiring approach has assisted organisations to think about their methods more thoroughly with the knowledge that Rosemary is willing to assist and support wherever possible. She is a strong advocate for continuous quality improvement processes and mentors staff to ensure this passion is ignited and strengthened in others.

Rosemary became an ACHS Surveyor in 1993 and then a Trained Co-ordinator in July 2001.

Rosemary has undertaken 269 surveys, totalling 674 days. While this a significant accomplishment, Rosemary has been gracious and kind when dealing with healthcare professionals, sometimes under difficult circumstances or when the news is not favourable and significant change is required.
This empathy towards staff who are trying to do the best for their patients has resulted in complimentary responses from organisations following survey, specifically about the dedication and professionalism shown. Hospital staff often comment about the wealth of knowledge and constructive information Rosemary provides to ensure quality is enhanced and actively encouraged. Rosemary will check that what was promulgated to improve quality is delivered when she next visits an organisation.

Knowing that Rosemary will return to a site bolsters staff morale because they want to highlight the improvements made and accept her glowing acknowledgements.

Rosemary is an extraordinary individual who displays positive and encouraging leadership with healthcare professions across all levels. Rosemary always puts people at ease when she speaks with them and is methodical, paying great attention to detail which is evident in the numerous accreditation survey reports she has written. Rosemary personifies a professional team approach to all her work and has mentored many people in the safety and quality process and service improvement area. This strong commitment to safety and quality is infectious and ensures that staff are enthusiastic about quality improvement in diverse settings.

In her role as Manager, Surveyor Workforce from February 2014 to July 2017, Rosemary provided a link between the Surveyor Workforce, ACHS staff and the organisations. She could readily solve problems – from minor to the most complex issues that arose from organisations, surveys and surveyors.

Rosemary is highly regarded across the Sydney health care community through her long-term tenure as Director of Nursing at Royal North Shore Hospital and CHS from October 1989-July 1999. Prior to this, she was DoN at The St George Hospital, Kogarah for five years.

Rosemary has also worked in rural and remote areas and was both the Deputy President and a Board Member of the NSW Nurses Registration Board from 1988-2001.

Sadly, Rosemary Snodgrass passed away in March 2018.
Three hospitals from three different states were announced as winners of the 20th annual ACHS Quality Improvement Awards at the ACHS / ACHSM Joint Health Leadership Congress in Sydney on 28 September.

Royal Brisbane and Women’s Hospital (QLD), North-Eastern Community Hospital (SA) and Nepean Blue Mountains Local Health District Service (NSW) each took out one award, demonstrating their leadership status as innovators in different aspects of healthcare.

ACHS Executive Director of Customer Services and Development Ms Linda O’Connor presented the awards in three categories – Clinical Excellence and Patient Safety, Non-Clinical Service Delivery, and Healthcare Measurement.

The Non-Clinical Service Delivery Award was won by North Eastern Community Hospital, SA for their ‘First demonstration in an Australian healthcare setting of an in-line electrochemical water treatment system for optimising potable water.’ Their goal was to implement and independently test an electrochemical water management system to address chronic Legionella counts.

Nepean Blue Mountains Local Health District Service won the Healthcare Measurement Award for their ‘Breathe better at Blue Mountains – a multidisciplinary approach to reducing the length of stay for Chronic Obstructive Pulmonary Disease patients’. The aim was to reduce length of stay for patients admitted with COPD by one half day within 12 months.

Royal Brisbane and Women’s Hospital won the Clinical Excellence and Patient Safety Award for their ‘Kidney Supportive Care – our patients, our care’ project aimed at patients with advanced kidney disease who experience high symptom burden, requiring complex health care decision-making. This program aims to educate and coach the patients, their families and carers in discovery of patients’ preferences, expectations and decisions about how healthcare will be delivered, aligned with their values.

The quality of submissions continues to increase each year. The judges were impressed by the diversity and the very high level of entries submitted.

The winners have each identified an area of improvement in health, delivering a worthwhile project that shows measurable results.

Now in their 20th year, the Quality Initiative Awards help showcase practical innovation projects that challenge standard practices through creative problem-solving to provide useful initiatives.
The quality of submissions continues to increase each year. The judges were impressed by the diversity and the very high level of entries submitted.

QI Awards 2017

Clinical Excellence and Patient Safety
Non-Clinical Service Delivery
Healthcare Measurement
DIVISION REPORTS

ACHS International

As a wholly owned subsidiary company, ACHS International continues to promote the Mission and Vision of ACHS globally. Our international presence now extends to 14 countries with more than 80 members and continues to grow throughout our four regional markets.

ACHS International continues to redefine itself in alignment with the overall ACHS Strategic Plan to ensure that we are constantly flexible and agile in response to our various member needs and challenges of multiple complex international healthcare systems.

To deliver on our strategy, ACHS International has organised its services into four key domains – Training & Education, Consulting & Advisory, Performance & Outcomes, and Standards & Quality Programs. As there is no ‘one size fits all’ approach to continuous patient safety and quality improvement, ACHS International understands that we must constantly innovate to offer a wide range of offerings and support for our members to address healthcare challenges.

We look forward to partnering with our current and new members to support advancements and improvements in global patient safety and quality.

Southeast Asia Region

Where we operate – Singapore, Malaysia, Indonesia, Vietnam, Philippines

Local highlight – ACHS International expands into Philippines with the addition of four new members from Fresenius Medical Care

ACHS International is excited to launch the partnership with the Centre for Healthcare Improvement Research (CHIR) in Vietnam to partner with organisations across the country to improve quality in a rapidly expanding healthcare system. Hai Yen Eye Centre and Nhan Tam Dental Clinic have been the first members to join ACHS from Ho Chi Minh City. ACHS International continues to partner with other organisations throughout the region to develop new innovative products and expand services to support ongoing improvement activities.

ACHS Executive Directors Dr Lena Low and Mr Michael Giuliano (front row, centre) met with KARS, Indonesia’s premier accreditation committee to provide a workshop on quality and safety.

ACHS CEO Dr Christine Dennis along with Prof Cliff Hughes delivered a keynote address at the 2017 International Green Healthcare Forum in Shenzhen that explored healthcare reforms in terms of ‘green’ healthcare.

ACHS Executive Directors Dr Lena Low and Mr Michael Giuliano (front row, centre) met with KARS, Indonesia’s premier accreditation committee to provide a workshop on quality and safety.
East Asia Region

Where we operate – China, Japan, Hong Kong, Macau, Taiwan

Local highlight – ACHS participates in the Joint Commission Taiwan’s launch of their Safe Hospital Consulting Program

ACHS International has expanded rapidly in this region with increasing membership of clinics, day procedure centres, and hospitals across China and Japan in particular. Our relationship with the Hong Kong Hospital Authority continues as we support assessors and organisations on their journey of continuous quality improvement.

Central & South Asia Region

Where we operate – India, Sri Lanka

Local highlight – ACHS conducts assessor competency training for 30 healthcare professionals from across Sri Lanka’s public healthcare system

The Sri Lanka Ministry of Health & Indigenous Medicine have engaged ACHS International to provide training of a local assessor workforce to the EQUlP standards. These assessors then joined ACHS assessors from Australia to learn onsite assessment skills through the completion of six Readiness Diagnostics across the country. We look forward to working with the Ministry in the future and assist other public hospitals.

Middle East Region

Where we operate – Saudi Arabia, United Arab Emirates, Oman, Qatar, Bahrain

Local highlight – Dr Soliman Fakeeh Hospital becomes the first organisation to agree to undergo short notice assessments for future accreditation

Expansion throughout the Middle East region continues as large government initiatives such as Saudi Arabia’s Vision 2030 and Qatar’s licensing and accreditation program are implemented. With a growing assessor workforce in the region, the ACHS International brand and scope of offerings continues to increase in recognition and as a viable alternative to other providers.
Customer Services
With the release of the NSQHS Standards second edition in November 2017, the CSMs focussed on providing our member organisations with up-to-date information on the pending changes to the assessment process. These changes are required under The Australian Health Service Safety and Quality Accreditation (AHSSQA) Scheme and in preparing our members on the transition process, the CSMs attended more than 160 onsite visits and delivered 28 presentations to groups ranging from five to up to 100 attendees.

ACHS is pleased to report that member organisation satisfaction with the level of service and support received from the Customer Services Managers (CSMs) increased from the previous year (97%) to 98.5% in 2017/18.

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 specialist standards for oral health and haemodialysis centres. 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 2017 – 2018
EQuIP6 Aged Care Services
The development of the EQuIP6 Aged Care Services program commenced early 2017 and will be implemented internationally in October 2018.

The 1st edition of the Australian Council on Healthcare Standards’ (ACHS) Evaluation and Quality Improvement Program (EQuIP) for aged care services, is based on EQuIP 6th edition core Standards. The EQuIP6 program was subject to further consultation from a number of aged care specialists, including general managers, quality managers, CEO’s clinical governance managers, directors and nurses in aged care services. In addition, a number of ACHS surveyors and aged care consumer advocates contributed to the program content. The generous response of time and expertise both across Australia and internationally, including Hong Kong, Singapore, China, Indonesia and New Zealand, is indicative of the esteem held within the health industry for ACHS. For this we are very grateful.

Overview of Products and Services
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 18 countries internationally, including New Zealand, Hong Kong, Malaysia, Indonesia, Singapore, India, Saudi Arabia, Sri Lanka, Bahrain and the United Arab Emirates.
The core EQuIP program is reviewed approximately every four years and informs the development of a suite of related accreditation programs. The current version is EQuIP6, which will be subject to review commencing early 2019. This regular review and redevelopment ensures that the content of ACHS accreditation programs are up-to-date, evidence-based, and relevant to member organisations.

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

Other EQuIP 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.

- **EQuIP 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.

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

- **EQuIP 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.

Within Australia, health service organisations are required to be accredited against the National Safety and Quality Health Service (NSQHS) Standards, developed by The Australian Commission on Safety and Quality in Health Care (the Commission). To allow members to retain the organisation-wide evaluation and quality improvement program that is EQuIP, without duplication of assessment to the NSQHS Standards, ACHS offers EQuIPNational to all its members.

This 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, including those that provide evidence-based trauma recovery day programs to ‘veterans’ and are required by DVA to be accredited to the Trauma Recovery Program (TRP), 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.

- **Clinical Indicator Program:** a data repository, analysis and reporting service provided by the ACHS to healthcare organisations. It provides comparative information on the processes and outcomes of healthcare. With more than 320 indicators and more than 800 participating member organisations, the ACHS Clinical Indicator Program 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 multidisciplinary 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 that 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 2017 - 2018:**
- Publication of the Australasian Clinical Indicator Report 2009 - 2016, 18th edition,
- Data collection commenced for three updated Clinical Indicator sets including Infection Control (version 5), Radiation Oncology (version 5) and Radiology (version 6).

The award is 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
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 health care 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 2017-2018 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 Officer. 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 2017-2018 was the development of the EQuIP6 Aged Care Services program for international member organisations (ACHSI).

<table>
<thead>
<tr>
<th>Name</th>
<th>Organisation</th>
<th>Representation</th>
</tr>
</thead>
<tbody>
<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>Ms Cathy Cummings</td>
<td>Managing Director, DAA Group Ltd (Designated Audit Agency), NZ</td>
<td>DAA / New Zealand</td>
</tr>
<tr>
<td>Dr Christine Dennis</td>
<td>Chief Executive ACHS</td>
<td>ex-officio</td>
</tr>
<tr>
<td>Ms Helen Dowling</td>
<td>Pharmacist Consultant Contractor, Australian Commission on Safety &amp; Quality in Health Care</td>
<td>Regional / Public Sector/ Allied Health/ ACHS Councillor / ACHS surveyor</td>
</tr>
<tr>
<td>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>
<tr>
<td>Dr Philip Hoyle (Chair)</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>Ms Joanne Levin</td>
<td>Chief Executive, Belmont Private Hospital, NSW</td>
<td>Private Sector</td>
</tr>
<tr>
<td>Adjunct Associate Professor</td>
<td>Executive Director of Nursing and Midwifery, North West Area Health Service, Tas</td>
<td>Nursing / Public Sector</td>
</tr>
<tr>
<td>Karen J Linegar</td>
<td>Co-Chairman - Hong Kong Representative, Nursing Director HK Sanatorium Hospital, HK</td>
<td>Hong Kong Private Sector</td>
</tr>
<tr>
<td>Ms Manbo Man</td>
<td>Chief Executive Officer, Northern Territory Department of Health</td>
<td>ex-officio</td>
</tr>
<tr>
<td>Prof Len Notaras AM (ACHS President)</td>
<td>Chief Executive Officer, Northern Territory Department of Health</td>
<td>Hong Kong Public Sector</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 Samantha Sanders</td>
<td>Chief Risk and Clinical Governance Officer, Icon Cancer Care</td>
<td>Day Hospitals Australia</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>
</tbody>
</table>
Corporate and Surveyor Workforce Unit comprises five core sections:

1. Accreditation Administration Services (AAS)
2. Business Services (BS)
3. Finance and Human Resources Administration
4. Information Technology (IT)
5. Surveyor Workforce

**Key achievements 2017-2018**

- Improved delivery of IT performance with a number of key upgrades and no breaches of IT systems
- Unqualified financial audit by external auditors
- Accurate and effective data provided to jurisdictions and other stakeholders
- Improvements to performance management system to ensure our surveyors meet stakeholder requirements
- Successful SAC meetings to maintain our key relationships with state jurisdictions and stakeholders.

**Accreditation Administration Services (AAS)**

The core function of the Accreditation Administration Services is to provide administrative support to the Customer Services Unit and other Units of ACHS as required. The Accreditation Administration Services also provides support services to member organisations and surveyors to ensure the success of all accreditation programs offered by ACHS.

The Accreditation Administration Services customises reports for management and monitors survey report turnaround times on an ongoing basis to ensure customer satisfaction and compliance with the requirements of the Australian Commission on Safety and Quality in Health Care (ACSQHC). The AAS has responsibility for the management of the Customer Relationship Management (CRM) database.

The Accreditation Administration Services also provides support for Accreditation Consultancies, ensuring that the consultancy process and reports are ‘firewalled’ in the CRM and from the surveyor workforce. The timely renewal of memberships as well as providing monthly invoicing for membership fees are other key responsibilities of the AAS.

In addition, Accreditation Administration Services is actively involved in the review of continuous quality improvement initiatives of business processes at both management and staff levels.

*ACHS meets regularly with surveyors, to update and develop their knowledge and skills | Above: Western Australian-based surveyors in August 2017.*
Business Services (BS)

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 division is responsible for data extraction, cleaning and reporting on 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.

Finance and Human Resources Administration

The two key 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 provision of accurate/timely information to support management decision-making. The Finance division works closely with all stakeholders to ensure financial performance are to budget, and there are sufficient controls in place to minimise potential financial risks. The Finance division has again achieved an unqualified audit from the external auditors this year.

- **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 awards and management of corporate wellness
  - 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.
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.

Major projects achieved in this financial year as per our IT business plan:

◉ Installation of fibre connected internet service to augment existing fixed wireless connection
◉ Network and firewall consolidation to ensure seamless failover in the event of one internet connection being unavailable
◉ Redesigned Disaster Recovery solution based on Microsoft’s Azure cloud-based service, to ensure faster service recovery in the event of a major outage
◉ Refreshed our Application Development Toolkits, to ensure future in-house applications are developed using contemporary programming techniques
◉ Cyber Insurance to help protect ACHS in the event of an adverse IT event

Surveyor Workforce

The Surveyor Workforce division has responsibility for selecting appropriate teams for on-site surveys both domestically and internationally to ensure the credibility of the ACHS accreditation programs and the satisfaction of its members.

In addition, this division is responsible for ensuring surveyors are kept up-to-date with the latest information via a dedicated surveyor newsletter and regular updates for the surveyor section of the ACHS website. Face-to-face education is provided at annual Surveyor Development Days 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 with further education provided via eLearning webinars and quarterly mandatory competency quizzes.

The Surveyor Workforce division also provides training for newly recruited surveyors as required. The training program uses a mixture of didactic and interactive learning. The sessions are structured to provide a simulated version of the survey environment and are presented by experienced ACHS staff and survey coordinators with the next program scheduled for July 2019.

The Surveyor Workforce division also has responsibility for monitoring surveyor involvement in new developments. This year has seen a concerted effort in preparing our surveyors for the changes to the National Safety and Quality Health Service Standards due next year with the implementation of the second edition standards. In line with this, planning has begun to revise the system for next year for the appointment and reappointment of surveyors and alterations to the nomenclature used.

A key achievement this year has been the alignment of all management processes for domestic and international based surveys, survey allocations, development and performance management of all surveyors to the Surveyor Workforce division.

Additionally, the division manages the performance of the Surveyor Workforce on an ongoing basis to ensure customer satisfaction, compliance with the requirements of the ACSQHC and accreditation by The International Society for Quality in Healthcare (ISQua). Ongoing review of the performance management is undertaken to ensure the quality of service delivery.
ACHS Retired Surveyors 2017-2018

<table>
<thead>
<tr>
<th>Name</th>
<th>Joined</th>
<th>Last Survey</th>
<th>Total Surveys</th>
<th>Total Surveyor Days</th>
<th>Years as a Surveyor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Allan Hall</td>
<td>2011</td>
<td>30/03/2015</td>
<td>5</td>
<td>24</td>
<td>6</td>
</tr>
<tr>
<td>Mr Les Richardson</td>
<td>2013</td>
<td>4/08/2017</td>
<td>2</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>Dr David Huppert</td>
<td>2010</td>
<td>9/05/2016</td>
<td>8</td>
<td>31</td>
<td>7</td>
</tr>
<tr>
<td>Ms Alison Starr</td>
<td>2010</td>
<td>7/04/2014</td>
<td>3</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>Mr Ken Campbell</td>
<td>2007</td>
<td>8/11/2017</td>
<td>59</td>
<td>211</td>
<td>10</td>
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<tr>
<td>Dr Winston Chiu</td>
<td>1999</td>
<td>27/05/2013</td>
<td>31</td>
<td>103</td>
<td>18</td>
</tr>
<tr>
<td>Ms Suzanne Sandral</td>
<td>2011</td>
<td>26/7/2017</td>
<td>39</td>
<td>104</td>
<td>6</td>
</tr>
<tr>
<td>Ms Cindi Rees</td>
<td>2004</td>
<td>13/11/2017</td>
<td>20</td>
<td>77</td>
<td>13</td>
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<tr>
<td>Mr Peter Barber</td>
<td>2002</td>
<td>27/6/2017</td>
<td>89</td>
<td>247</td>
<td>16</td>
</tr>
<tr>
<td>Mrs Grace Ley</td>
<td>2001</td>
<td>15/5/2017</td>
<td>54</td>
<td>129</td>
<td>17</td>
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<tr>
<td>Dr Catherine Crock</td>
<td>2008</td>
<td>24/08/2015</td>
<td>9</td>
<td>23</td>
<td>8</td>
</tr>
<tr>
<td>Dr Lee Gruner</td>
<td>1986</td>
<td>17/11/2017</td>
<td>131</td>
<td>281</td>
<td>32</td>
</tr>
<tr>
<td>Ms Christine Coombs</td>
<td>2013</td>
<td>27/3/2018</td>
<td>47</td>
<td>120</td>
<td>5</td>
</tr>
<tr>
<td>Ms Marilyn Sneddon</td>
<td>1994</td>
<td>9/05/2018</td>
<td>253</td>
<td>548</td>
<td>24</td>
</tr>
</tbody>
</table>

“With thanks and gratitude for your support of ACHS and sharing your wealth of knowledge and experiences. The Australian healthcare industry has benefited greatly from the sharing of your time. Thank you.”

Dr Christine Dennis
ACHS CEO
The Improvement Academy continues to provide highly-regarded contemporary training programs that meet the needs of a dynamic and complex healthcare system. The Academy uses the Kaiser Permanente curriculum framework designing courses for Lead; Practitioner and Foundation Level clinicians and managers.

**Lead Level**

The ongoing promotion of the two Lead Courses, the Patient Safety Lead Course and the Quality Improvement Lead Course has continued as a primary focus of activity. 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 the learnings is that participants are required to undertake a work-based patient safety or quality improvement project. The aim is to put the learnings into practice and also allow sharing of best practice nationally and internationally through the publication of the project abstracts.

**Patient Safety Lead Program**

The Patient Safety Lead Training Program (PSL) is 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 37 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 undertook 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.

**PSL Registrations**

A total of 37 participants enrolled in the 12-month program which were held in Sydney and Brisbane. The programs commenced in February (Sydney) and April (Brisbane) 2017. Both programs concluded with a graduation ceremony on Friday 17 November 2017 (ACHS Offices) and Friday 20 April 2018 (Stamford Plaza Brisbane) where they were required to deliver a 15 minute oral presentation, and submit a project summary.

**Quality Improvement Lead Program**

The Quality Improvement Lead Training Program (QIL) is designed for senior healthcare staff 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 quickly back into the workplace to improve care processes. Participants are immersed in quality improvement science and theories. Skills gained include: leading and sustaining change processes, measurement for quality improvement using statistical process control charts and engaging with consumers in healthcare improvement. The 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 are required to undertake a work-based patient safety project and are assessed at the end of the course through an oral presentation of their project and are also required to submit a short project abstract to the ACHS Faculty.

QIL Registrations

A total of 81 participants enrolled for the 12-month programs which were held in Sydney and Brisbane as well as a customised course held in Melbourne. The programs commenced in February (Sydney) and in May (Brisbane) 2017. Both programs concluded with a graduation ceremony on Friday 1 December, 2017 (in Sydney) and on Friday 4 May, 2018 (Stamford Plaza, Brisbane) where participants delivered a 15 minute oral presentation and submitted their project summary.

Masterclass

The Academy delivered five 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 69 staff and was extremely well-received.

Practitioner Level Courses (one day programs)

The ‘Root Cause Analysis’ (RCA) one day program proved to be very successful. The Academy delivered eight public workshops and 32 customised workshops for organisations across all States and Territories. A total of 180 people attended (public) and 463 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 have been contracted to assist with demand. There were both public and customised workshops for organisations across all States and Territories. A total of 110 people attended (public) and 120 attended (custom) programs.
Summary

The Academy continues to build its audiences, establish a growing network and develop a strong reputation for delivering high quality, effective Lead Programs.

Feedback from participants has been overwhelmingly positive and supportive and points to a distinct lack of directional training nationally for those working directly in the quality area, as well as for clinical leaders whose impact can heavily influence their healthcare environment’s outcomes.

The Lead Program have had the most dramatic impact at a very practical level. The increase in levels of participants’ confidence and an immediate understanding that the key learnings, when translated locally can affect dramatic levels of change, has been noticeable.

The first Abstract Summary booklet was published in October 2017, with a further booklet on 2018 projects planned for publication in November 2018.

<table>
<thead>
<tr>
<th>Course Name</th>
<th>Public</th>
<th>Custom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patient Safety Lead (12 months)</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Quality Improvement Lead (12 months)</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Root Cause Analysis (1 day)</td>
<td>8</td>
<td>32</td>
</tr>
<tr>
<td>Audit and Preparation for Survey (1 day)</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Exec Masterclass for Boards and Execs Responsibilities for Q&amp;S (1/2 day)</td>
<td>5</td>
<td>-</td>
</tr>
</tbody>
</table>

The second round of Quality Improvement Lead Program graduates, December 2017.
OVERVIEW
ACHS Council Members

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 2018, as at 30 June 2018, was 28 Councillors, including three life members

Dr Sue Andrews
Health Care Consumers' Inc

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)

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

Assoc Professor Gregory Jenkins
Post nominals
Royal Australian and New Zealand College for Obstetricians and Gynaecologists

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 (RACPS)
Mr Tony Lawson
BA, BSoC Admin, 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 (RANZCPs)

Ms Angela Magarry
BHA, MPS, CGFNS, FCHSM
Australasian College of Health Service Management (ACHSM)

Dr Sally McCarthy
MBBS, MBA, FACEM
Australasian College for Emergency Medicine (ACEM)

Dr Roderick McRae
FAMA, MBBS(Hons), BMedSC(Hons), MBioeth, JD, PGDipPCCE
Australian Medical Association

Dr Jon Mulligan
MBBS, MHA, FRACP, FRACMA, GAICD
Life Member of ACHS Council

Prof Leonard Notaras AM
AFCHSE, LLB, BA (Hons), Dip Comm, BMed, MHA, MA
President
Northern Territory Department of Health and Community Services

Dr Eva Raik AM
MBBS, FRCPA, FRACP
Life Member of ACHS Council

Mr Michael Roff
Grad Cert Mgt
Australian Private Hospitals Association (APHA)

Ms Samantha Sanders
Day Hospitals Australia

Dr Paul Scown
MMBS, BHA, FRACMA, AFACHSM, MAICD
Australian Healthcare & Hospitals Association (AHHA)

Ms Fiona Tito-Wheatland
BA (Hons) LLB
Health Care Consumers’ Inc.

Dr Phillip Truskett AM
MBBS, FACS, FRACS, FASCBI(Hons)
The Royal Australasian College of Surgeons (RACS)

Ms Alison Verhoeven
BA, GradDipEd, MLitt, MBA, FAIM, GAICD
The Australian Healthcare and Hospitals Association (AHHA)

Mr Stephen Walker
AssDip.Eng, B.Bus, GradDipAcc, AFCHSE, MAICD
Australian Private Hospitals Association (APHA)

Dr Noela Whitby AM
MBBS, GradDipHumNut, DPD, FRACGP, FAICD
The Royal Australian College of General Practitioners (RACGP)

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 2018 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>8</td>
<td>9</td>
</tr>
<tr>
<td>Adj Assoc Prof Karen Linegar</td>
<td>25 Nov 2004</td>
<td>24 Nov 2017</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Mr John Smith PSM</td>
<td>24 Nov 2005</td>
<td>24 Nov 2017</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Mr Stephen Walker (BFARC Chair)</td>
<td>23 Nov 2006</td>
<td>-</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Ms Helen Dowling</td>
<td>27 Nov 2008</td>
<td>-</td>
<td>7</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>7</td>
<td>9</td>
</tr>
<tr>
<td>Mr Anthony Lawson</td>
<td>24 Sep 2012</td>
<td>-</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Prof Leonard Notaras AM (President)</td>
<td>22 Nov 2012</td>
<td>-</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Prof Brett Emmerson AM</td>
<td>25 Nov 2015</td>
<td>-</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td>Dr Paul Scown</td>
<td>23 Nov 2017</td>
<td>-</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

A | Number of meetings attended  B | Number of meetings held during the time the director held office during the year

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 34 to 36 of this report.

Company secretary

Dr Christine Dennis has held the role of Company Secretary since October 2014. Dr 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 strategy 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 $1,890,376 has been achieved mainly due to savings in on-site survey costs. The Group has no loans or borrowings to any financial institution as at 30 June 2018. Renewal rates with ACHS accreditation program memberships remained high.

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 the 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 the 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 2018 the total amount those members of the company were liable to contribute if the company is wound up is $1,250.

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.

Professor Len Notaras AM
President
Sydney - 25th October 2018
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 2018 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

25 October 2018
BOARD OF DIRECTORS

Professor Len Notaras AM  
(President)
FACHSM, AFCHSE, LLB, BA (Hons), DipComm, BMed, MHA, MA
ACHS President 2017 - current
ACHS Vice-President from 2015
ACHS Board member from 2002
ACHSI Board member from 2009
ACHS Councillor (NT Health representative) from 2002
Chief Executive Officer (CEO), NT Department of Health
Council member Inaugural Safety and Quality Council
Appointed Professor Fellow, Flinders University SA, July 2015
Region #1 Top End Medical Disaster Coordinator
Executive Director National Critical Care and Trauma Response Centre from 2009
Medical Director of the NT Medical Administration Network from 2005
Senior Superintendent NT Acute Care Network, 2003-2007

Mr Stephen Walker (BFARC Chair)
Ass Dip Eng, B Bus (Health Management), Grad Dip Acc, AFCHSM, MAICD
Chair ACHS Finance and Audit Committee from 2012
ACHSI Board member from 2011
ACHS Board member from 2006
ACHS Councillor (APHA 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
Past APHA Board member
Past President SA APHA Branch

Professor Geoffrey Dobb
BSc (Hons), MBBS, FRCP, FRCA, FANZCA, FCICM, FAMA
ACHS Board Member from 2011
ACHS Councillor (AMA 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
ACHS Standards Committee from 2003
Chair, ACHS Standards Committee 2007-2012
ACHS Councillor (Allied Health Professions Australia) representative from 2001
Pharmacist Consultant Contractor, ACSQHC from 2015
Member ACSQHC Clinical Care Standards Advisory Committee, 2013-2017
Project Officer, Pharmacy Redesign, Royal North Shore Hospital, 2016-2017
Chief Executive Officer, The Society of Hospital Pharmacists of Australia (SHPA), 2012-2015
Director of Pharmacy, Hunter New England Local Health District, 2008-2012
Director of Pharmacy, Greater Newcastle, Hunter New England Health, 2001-2008
Member ACSQHC Health Services Medication Expert Advisory Committee, from 2012-2015
Member NSW Health Caring Together Independent Panel, 2009-2011
Member NSW Health Medication Safety Strategy Steering Committee, 2009-2012
Member and President, Pharmacy Council of NSW, 2010-2015
**Professor Brett Emmerson AM**

MBBS (QLD), MHA (NSW), FRANZCP, FRACMA

ACHS Board Member from 2015

ACHS Councillor, (RACMA Representative) from 2009

Member, ACHS Standards Committee from 1994 to current

ACHS Surveyor from 1994 to current

**Executive Director, Metro North Mental Health from 1997 - present**

Professor, School of Clinical Medicine, University of Queensland

Chair, Central Queensland Mental Health Clinical Network, 2007-current

Chair, Queensland Mental Health Clinical Collaborative, 2005-current

Member, Queensland Health & Drug Council, QLD Mental Health Commission

Chair RANZCP (QLD Branch) from 2017

Councillor, RANZCP 2000-2009

---

**Mr Anthony (Tony) Lawson**

BA, B Soc Admin, FIPAA, FAIM, CPMgr

ACHS Surveyor from 2016

ACHS Board Member from 2012

ACHS Councillor (CHF rep) from 2012

**Chair, Consumers Health Forum of Australia Ltd from 2014 – present**

Awarded Professional Life Membership, IPAA (SA Division) 2018

Member, Private Health Ministerial Advisory Committee from 2016

Executive Officer (part time), Laurel Palliative Care Foundation, from 2016


Executive Director, Institute of Public Administration SA, 2014-2016

Chair, National Working Group on Performance Assessment – National Health Performance Authority, from 2014

St Andrew’s Hospital Consumer Group

Former member, Central Adelaide Local Health Network Governing Council, 2012-2014

Member SA Health Ethics Health Advisory Council, 2012-2014

Member Health Workforce Australia (HWA) Standing Advisory Committee for NGO and Private Sector, 2012-2014

Former Chair, Health Consumers Alliance of SA Inc, 2008-2014

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**Adjunct Associate Professor Karen Linegar**

Date of Board Cessation 24 November 2017

RN, RM, MHA, BAppSc (Nursing), B Bus, Dip Comm Law, FACN, JP

ACHS President, 2011-2015

ACHS Vice President, 2008-2011

ACHS Board member from 2004

ACHSI Board member from 2008

ACHS Surveyor from 2005

ISQua Board Member, 2013-15

ACHS Councillor (ACN/ANF Representative) from 2004

Appointed ISQua expert 2013

**Acting Chief Executive Officer Tasmanian Health Organisation - North West, 2010-2011**

Executive Director of Nursing, Midwifery and Care Redesign - Tasmanian Health Organisation - North West 2009 – current

Director of Nursing - North West Regional Hospital, Burnie, 1994-2009

Chair ACHS Tasmanian Advisory Committee from 2005

President, Royal College of Nursing, Australia, 2002-2004

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**Dr David Lord**

MBBS, DPM, FRANZCP

ACHSI Board member from 2011

ACHS Board member from 2009

ACHS Councillor (Royal Australian and New Zealand College of Psychiatrists representative) from 2009

ACHS Surveyor from 2007

**Retired (2008) Psychiatrist**

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**ACHS Board Members** | representing consumers, governments and the Australian healthcare industry
Mr Michael Roff
Grad Cert Mgt.
ACHS Board member from 2004
ACHS Councillor (APHA representative) from 2004

Chief Executive Officer, Australian Private Hospitals Association from 2000 – present
Member – Private Health Ministerial Advisory Committee 2016 – present
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, Private Health Industry Quality & Safety Committee, 2000-2004
Member, National Health Performance Committee, 2000-2008

Dr Paul Scown
MB, BS (Qld), BHA (NSW), FRACMA, AFCHSM, MAICD
ACHS Board member from 2017
ACHS Councillor from 2006
Consultant
Sid Sax Medal recipient 2018
Nexus Primary Health Chair 2014–present
Nexus Primary Health Director 2012 - 2014
Board of Advice, Debye Research Institute for Health Policy Research Member 2015 - present
Board of Advice, University of Sydney Susan Wakil School of Nursing and Midwifery Member 2013 - present
Walter and Eliza Hall Institute of Medical Research Member 2011- present
Australian Healthcare and Hospitals Association (AHHA) Chair 2011 - 2014
AHHA Director 1993-1996 and 2001 - 2005
Health Roundtable Director and Secretary 1996 - 2005
Victorian Healthcare Association (VHA) Chair 2004 - 2005
Royal Melbourne Hospital Foundation Limited Director 2003 - 2005
National Ageing Research Institute (NARI) Director 2002 - 2004
Victorian Country Fire Authority (CFA) Volunteer Fire-fighter 2009 - present
Melbourne Health Chief Executive 2000 - 2005

Mr John Smith PSM
Date of Board Cessation 24 November 2017
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 (AHHA representative) from 2000

Chief Executive Officer, West Wimmera Health Service
National Councillor, AHHA from 2000
Director Victorian Healthcare Association, 1997 - 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, 2018 - present
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, 2013 - 2017
Chair, National Asthma Council Australia, 2008 - 2014
Director, National Asthma Council Australia, 2005 - 2014
Chair, AGPAL, 2003 – 2006
Chair, National Expert Committee on Standards of RACGP, 2002 – 2005
Director, AGPAL, 2000 – 2006
Member National Practice Standards Committee, RACGP, 1994 - 2018
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.

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## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

<table>
<thead>
<tr>
<th>Description</th>
<th>Note</th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from services [continuing operations]</td>
<td>2</td>
<td>13,358,859</td>
<td>14,421,745</td>
</tr>
<tr>
<td>Other revenue</td>
<td>2</td>
<td>435,457</td>
<td>425,893</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>2</td>
<td>13,794,316</td>
<td>14,847,638</td>
</tr>
<tr>
<td>Communications and marketing expenses</td>
<td></td>
<td>(369,750)</td>
<td>(281,608)</td>
</tr>
<tr>
<td>Accreditation program support and development costs</td>
<td></td>
<td>(7,101,879)</td>
<td>(6,872,641)</td>
</tr>
<tr>
<td>Administration expenses</td>
<td></td>
<td>(647,552)</td>
<td>(540,460)</td>
</tr>
<tr>
<td>Survey costs</td>
<td></td>
<td>(3,408,908)</td>
<td>(4,530,630)</td>
</tr>
<tr>
<td>Other expenses</td>
<td></td>
<td>(375,851)</td>
<td>(390,645)</td>
</tr>
<tr>
<td><strong>Surplus for the year</strong></td>
<td></td>
<td>1,890,376</td>
<td>2,231,654</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td></td>
<td>1,890,376</td>
<td>2,231,654</td>
</tr>
</tbody>
</table>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

### Current assets
- Cash and cash equivalents: 2018 $2,609,703, 2017 $1,868,953
- Trade and other receivables: 2018 $1,316,309, 2017 $1,499,486
- Other financial assets: 2018 $12,511,303, 2017 $12,932,143
- Other assets: 2018 $105,528, 2017 $51,002

### Non-current assets
- Plant and equipment: 2018 $47,717, 2017 $87,526
- Land and building: 2018 $1,967,832, 2017 $2,074,297
- Other assets: 2018 $240,105, 2017 $237,986

### Total assets
- 2018 $18,798,497, 2017 $18,751,393

### Current liabilities
- Trade and other payables: 2018 $899,505, 2017 $724,810
- Provisions: 2018 $122,838, 2017 $30,000
- Unearned income: 2018 $7,772,089, 2017 $9,703,716
- Employee benefits: 2018 $821,358, 2017 $1,037,280

### Total current liabilities
- 2018 $9,615,790, 2017 $11,495,806

### Non-current liabilities

### Total non-current liabilities
- 2018 $171,738, 2017 $134,994

### Total liabilities
- 2018 $9,787,528, 2017 $11,630,800

### Net assets
- 2018 $9,010,969, 2017 $7,120,593

### Equity
- Retained Surplus: 2018 $9,010,969, 2017 $7,120,593
- Total equity: 2018 $9,010,969, 2017 $7,120,593
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

<table>
<thead>
<tr>
<th></th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as at 30 June 2016</td>
<td>4,888,939</td>
<td></td>
</tr>
<tr>
<td>Surplus attributable to members for year ended 30 June 2017</td>
<td></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>
<td></td>
</tr>
<tr>
<td>Surplus attributable to members for year ended 30 June 2018</td>
<td></td>
<td>1,890,376</td>
</tr>
<tr>
<td><strong>Balance as at 30 June 2018</strong></td>
<td><strong>9,010,969</strong></td>
<td></td>
</tr>
</tbody>
</table>

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

<table>
<thead>
<tr>
<th>Note</th>
<th>2018 $</th>
<th>2017 $</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>14,733,696</td>
<td>15,743,641</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(14,706,411)</td>
<td>(13,219,399)</td>
</tr>
<tr>
<td>Interest received</td>
<td>314,307</td>
<td>305,107</td>
</tr>
<tr>
<td><strong>Net cash provided by operating activities</strong></td>
<td>341,592</td>
<td>2,829,349</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note</th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of property, plant and equipment</td>
<td>(21,681)</td>
<td>(21,086)</td>
</tr>
<tr>
<td>Movement in investments and short-term deposits</td>
<td>420,839</td>
<td>(688,147)</td>
</tr>
<tr>
<td><strong>Net cash provided by investing activities</strong></td>
<td>399,158</td>
<td>(709,223)</td>
</tr>
</tbody>
</table>

Net increase in cash held 740,750 2,120,116
Cash at the beginning of the financial year 1,868,953 (251,163)
Cash at the end of the financial year 2,609,703 1,868,953
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 2018 were approved and authorised for issue by the board of directors on 25 October 2018. 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. ACHS is a not-for-profit entity for the purpose of preparing financial statements.

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”), and the
- 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:

Class of fixed assets Depreciation rate
- Computer and IT Equipment 3 years
- Office Equipment 5 years
- Furniture and Fittings 10 years
- Freehold Building 40 years
- Building Improvements 10 - 30 years

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, 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) Financial assets
Financial assets include all term deposits, and are measured at fair value.

q) 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 debtors financial position.

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

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

r) 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>Services</th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership fees</td>
<td>12,050,981</td>
<td>12,806,670</td>
</tr>
<tr>
<td>Improvement Academy and consultancy</td>
<td>671,071</td>
<td>895,385</td>
</tr>
<tr>
<td>Projects</td>
<td>171,755</td>
<td>213,000</td>
</tr>
<tr>
<td>Publications</td>
<td>189</td>
<td>360</td>
</tr>
<tr>
<td>Other revenue</td>
<td>464,863</td>
<td>506,330</td>
</tr>
<tr>
<td><strong>Revenue from ordinary activities</strong></td>
<td><strong>13,358,859</strong></td>
<td><strong>14,421,745</strong></td>
</tr>
</tbody>
</table>

**Other**

| Grants received                  | 105,700      | 103,100      |
| Interest received from financial institutions | 314,307     | 305,107      |
| Other income                     | 15,450       | 17,686       |
| **Total other income**           | **435,457**  | **425,893**  |
| **Total operating revenue**      | **13,794,316** | **14,847,638** |

Note 3. Expenses

Surplus before income tax includes the following specific expenses:

**Cost of sales**

| Cost of sales                     | 3,408,908    | 4,530,630    |

**Superannuation expense**

| Defined contribution superannuation expense | 494,788 | 469,355 |

**Depreciation and amortisation expense**

| Depreciation and amortisation expense | 167,956 | 172,967 |

Note 4: Cash

| Cash on hand                     | 13,708      | 3,950       |
| Cash at bank                     | 2,595,995   | 1,865,003   |
| **Total cash**                   | **2,609,703** | **1,868,953** |

Note 5: Current assets - Trade and other receivables

| Trade debtors                     | 1,627,268   | 1,705,969   |
| Less: Provision for doubtful debts | (310,959)  | (206,483)   |
| **Total Current assets – Trade and other receivables** | **1,316,309** | **1,499,486** |

Impairment of receivables

The consolidated entity has not recognised a loss in respect of impairment of receivables for the year ended 30 June 2018.
## NOTES TO THE FINANCIAL STATEMENTS

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

<table>
<thead>
<tr>
<th></th>
<th>Consolidated 2018 $</th>
<th>Consolidated 2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>206,483</td>
<td>86,582</td>
</tr>
<tr>
<td>Credit notes</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Additional provisions</td>
<td>104,475</td>
<td>119,901</td>
</tr>
<tr>
<td>Unused amounts reversed</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Closing balance</strong></td>
<td><strong>310,958</strong></td>
<td><strong>206,483</strong></td>
</tr>
</tbody>
</table>

### Note 6: Other financial assets

#### Current
- Held to maturity investments (term deposits)
  - 2018: 12,511,303
  - 2017: 12,932,143

### Note 7: Other assets

#### Current
- Prepayments
  - 2018: 105,528
  - 2017: 51,002

#### Non-current
- Cash deposit to support bank guarantee
  - 2018: 240,105
  - 2017: 237,986

### Note 8: Plant and equipment

#### Furniture and fittings – at cost
- Less: Accumulated depreciation
  - 2018: (103,282)
  - 2017: (100,910)
- Net book value
  - 2018: 2,712
  - 2017: 5,084

#### Office equipment – at cost
- Less: Accumulated depreciation
  - 2018: (45,954)
  - 2017: (44,389)
- Net book value
  - 2018: -
  - 2017: 1,565

#### Information technology – at cost
- Less: Accumulated depreciation
  - 2018: (434,192)
  - 2017: (379,864)
- Net book value
  - 2018: 45,005
  - 2017: 80,877

### Net book value, plant and equipment
- 2018: 47,717
- 2017: 87,526
NOTES TO THE FINANCIAL STATEMENTS

Consolidated
2018 $  2017 $

Note 9: Land and building

Land – at cost

380,000  380,000

Building – at cost

1,425,454  1,425,454
Less: Accumulated depreciation

(694,906)  (659,270)
Net book value

730,548  766,184

Building improvements – at cost

1,958,409  1,954,184
Less: Accumulated depreciation

(1,101,125)  (1,026,071)
Net book value

857,284  928,113

Net book value, land and building

1,967,832  2,074,297

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

<table>
<thead>
<tr>
<th></th>
<th>Freehold Land</th>
<th>Buildings and Fittings</th>
<th>Furniture and Fittings</th>
<th>Office Equipment</th>
<th>Information Technology</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 30 June 2016</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>Additions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Depreciation expense</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>Balance at 30 June 2017</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>
<tr>
<td>Additions</td>
<td>4,225</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>(110,690)</td>
<td>(2,372)</td>
<td>(1,566)</td>
<td>(53,328)</td>
<td>(167,956)</td>
<td>(167,956)</td>
</tr>
<tr>
<td>Balance at 30 June 2018</td>
<td>380,000</td>
<td>1,587,832</td>
<td>2,712</td>
<td>-</td>
<td>45,005</td>
<td>2,015,549</td>
</tr>
</tbody>
</table>

Note 10: Trade and other payables

Accounts payable

847,976  702,315
Accrued expenses

51,529  22,495
Total trade payables

899,505  724,810

Note 11: Provisions - current

Contract costs to complete

122,838  30,000
Total provisions

122,838  30,000
## Notes to the Financial Statements

### Note 12: Unearned income

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Future income</td>
<td>$28,865,169</td>
</tr>
<tr>
<td>Recognised future income</td>
<td>$(22,456,209)</td>
</tr>
<tr>
<td>Work in progress</td>
<td>$(6,880,591)</td>
</tr>
<tr>
<td>Recognised work in progress</td>
<td>$8,243,720</td>
</tr>
<tr>
<td><strong>Total unearned income</strong></td>
<td>$7,772,089</td>
</tr>
</tbody>
</table>

### Note 13: Employee benefits

#### Current

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual leave</td>
<td>$427,142</td>
</tr>
<tr>
<td>Long service leave</td>
<td>$392,166</td>
</tr>
<tr>
<td>Superannuation</td>
<td>$2,050</td>
</tr>
<tr>
<td><strong>Total current employee benefits</strong></td>
<td>$821,358</td>
</tr>
</tbody>
</table>

#### Non-current

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long service leave</td>
<td>$171,738</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>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aggregate compensation</strong></td>
<td>$1,287,130</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating surplus after income tax</td>
<td>$1,890,376</td>
</tr>
<tr>
<td>Non-cash flows in operating surplus</td>
<td></td>
</tr>
<tr>
<td>Depreciation and loss on disposal of assets</td>
<td>$167,956</td>
</tr>
</tbody>
</table>

#### Changes in assets and liabilities

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease in trade and term debtors</td>
<td>$181,057</td>
</tr>
<tr>
<td>(Decrease) / Increase in other liabilities</td>
<td>$(86,341)</td>
</tr>
<tr>
<td>(Increase) / Decrease in movement in WIP/Unearned income</td>
<td>$(1,931,624)</td>
</tr>
<tr>
<td>(Decrease) / Increase in pre-payments</td>
<td>$(54,526)</td>
</tr>
<tr>
<td>Increase in trade creditors and accruals</td>
<td>$174,695</td>
</tr>
<tr>
<td><strong>Total cash flows from operating activities</strong></td>
<td>$341,592</td>
</tr>
</tbody>
</table>

### 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.
NOTES TO THE FINANCIAL STATEMENTS

Note 17: Related party transactions
Other than payment of membership fees by entities associated with Directors or Councilors, 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 2018.

<table>
<thead>
<tr>
<th>Consolidated</th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>4</td>
<td>2,609,703</td>
</tr>
<tr>
<td>Receivables</td>
<td>5</td>
<td>1,316,310</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>6</td>
<td>12,511,303</td>
</tr>
<tr>
<td>Total financial assets</td>
<td></td>
<td>16,437,316</td>
</tr>
<tr>
<td>Financial liabilities at amortised cost:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>10</td>
<td>899,505</td>
</tr>
<tr>
<td>Total financial liabilities</td>
<td></td>
<td>899,505</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

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</th>
<th>Equity Holdings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018 %</td>
<td>2017 %</td>
</tr>
<tr>
<td>ACHS International Pty Limited</td>
<td>Australia</td>
<td>100</td>
</tr>
<tr>
<td>ACHS (Asia Pacific) Private Limited</td>
<td>Hong Kong</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>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td>14,408,690</td>
<td>13,014,909</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>2,155,792</td>
<td>2,302,065</td>
</tr>
<tr>
<td>Total assets</td>
<td>16,564,482</td>
<td>15,316,974</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>6,971,125</td>
<td>7,862,061</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>171,738</td>
<td>134,994</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>7,142,863</td>
<td>7,997,055</td>
</tr>
<tr>
<td>Net assets</td>
<td>9,421,619</td>
<td>7,319,919</td>
</tr>
<tr>
<td>Equity</td>
<td>9,421,619</td>
<td>7,319,919</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>2,101,700</td>
<td>1,944,694</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>2,101,700</td>
<td>1,944,694</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.
NOTES TO THE FINANCIAL STATEMENTS

THE AUSTRALIAN COUNCIL ON HEALTHCARE STANDARDS
A.C.N. 008 549 773

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 2018 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

Professor Len Notaras AM
President
Sydney - 25th October 2018
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 2018, the consolidated statement of profit or loss and other 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 2018 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 2018 and Board of Directors information on pages 5-8, but does not include the financial report and our auditor’s report thereon.
INDEPENDENT AUDITOR’S REPORT
THE AUSTRALIAN COUNCIL ON HEALTHCARE STANDARDS
ABN 90 008 549 773

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

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

If, based on the work we have performed, 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 controls.
- 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.
INDEPENDENT AUDITOR’S REPORT
THE AUSTRALIAN COUNCIL ON HEALTHCARE STANDARDS
ABN 90 008 549 773

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.
• 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.

Melania Alexander
Partner
25 October 2018
Glossary of Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accreditation</td>
<td>Public recognition of achievement by a health care 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 five additional standards derived from EQuIP</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>