

WESTGATE HEALTH  
co-op ltd



## 2014 Annual Report





# CONTENTS PAGE

|                          |    |
|--------------------------|----|
| Team Members             | 4  |
| Strategic Plan           | 5  |
| Chair Report             | 6  |
| Executive Officer Report | 7  |
| Treasurers Report        | 8  |
| Refurbishment            | 9  |
| Membership               | 10 |
| Annual Highlights        | 11 |
| Financial Statements     | 13 |



# WESTGATE HEALTH TEAM

## BOARD OF DIRECTORS

Patricia McLean – Chair  
Peter Kofoed – Secretary  
Dina Lynch – Treasurer  
Patrick Ferdinands  
Cheryl Teng  
Peter Cash  
Gordon McLean

## EXECUTIVE OFFICER

Mary-Anne Perry

## ACCOUNTANT

Peter Cash

## BOOKKEEPER

Devaki Ranadhir

## GENERAL PRACTITIONERS

Dr Maryann Spottiswood  
Dr Stephen O'Shea  
Dr Kay Whitfield  
Dr Simon Leslie  
Dr Catherine Davey  
Dr Richard Sloman  
Dr Chris Watts  
Dr Amy Greene  
Dr Choi Kwan  
Dr Bindiya Sethi  
Dr Dora Hu

## ALLIED HEALTH

Psychology – Patricia McLean  
Psychology – Gael Meadowcroft  
Psychology – Ken Holland  
Mental Health Nurse – Jo Shokralla  
Diabetes Educator – Daniel Chew  
General Surgeon – Howard Parker  
Acupuncture – Peter Ferrigno  
Physiotherapy – Tony Day  
Dietitian – Katie Thomsit  
Podiatry – Jair Butler

## NURSE MANAGER

Caroline Parker

## NURSES

Tash Catherine  
Phuong

## OFFICE MANAGER

Katrina Kortlang

## RECEPTION

Kelly-Anne Lucy  
Gina Frances  
Erin Megan  
Kimberley

## DENTISTS

Dr Gabriela Hanciu  
Dr Marianne Brownlee

## DENTAL NURSES

Nada  
Tanya  
Christina  
Bron

# STRATEGIC PLAN

1

## **Strategic Direction 1: Establish clear guidelines to ensure a secure and sustainable infrastructure for WGH.**

### **Objectives:**

- Secure premises for Newport (NP) practice for next 5 years
- Explore future development of South Kingsville (SK) site.
- Explore options for additional site/s.
- Upgrade facilities to best affordable standard.
- Review ICT infrastructure to enable seamless access between all sites

2

## **Strategic Direction 2: Provide a diverse range of quality health services and programs.**

### **Objectives:**

- Identify additional services that meet the expectations of members
- Optimise capacity at both sites

3

## **Strategic Direction 3: Maintain a credible reputation and promote a distinct identity**

### **Objectives:**

- Develop communication guidelines to promote the Co-operative and its benefits to Community and Stakeholders
- Improve communication with current membership
- Establish new & strengthen current relationships with sector agencies and local businesses
- Confirm organisation model to enable clarity for future planning

4

## **Strategic Direction 4: Prepare an innovative plan to achieve financial growth to meet future costs.**

### **Objectives:**

- Improve net ratio at current sites
- Explore opportunities to acquire external funds to provide additional services
- Allocate a percentage of annual surpluses to fund capital works

5

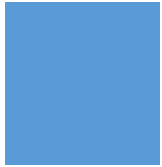
## **Strategic Direction 5: Ensure a well-managed and governed organisation.**

### **Objectives:**

- Conduct a skills assessment of the Board
- Ensure the Board has access to relevant information
- Determine organisational model

# CHAIR REPORT

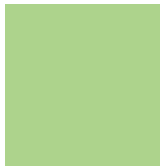
## PATRICIA MCLEAN



In April this year I took over the role of Chairperson – Westgate Health from Cheryl Teng. Cheryl led the board for 5 years, and we thank her for the tremendous, if not difficult at times, job that she did. I look forward to my time as Chairperson, however Cheryl has left big shoes to fill.



Mary-Anne Perry, our Executive Officer, has been strong in her role. She has worked diligently with the Board to improve the financial position of Westgate Health Co-operative. As a result, the refurbishment of our Vernon Street site is able to proceed without financial assistance.



As I write this, the upgrade of the Vernon Street Clinic, South Kingsville, is underway. The refurbishment will give us a new entrance and reception/waiting area and we are excited to be able to offer this improved facility. We thank our dedicated staff and patients for their understanding during this time of transition.



Governance of Westgate Health Co-operative is a major role of the Board. A recent update of Co-operative Act – ‘*Co-operatives National Law Application Act 2013 (Vic)*’ was released and Westgate Health has taken this opportunity to review our Co-operative rules to ensure full compliance of the new Act.

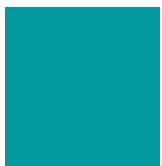


As a result, we now have a more workable document that will further enhance the function of the clinic and the Board. We thank our Board members that have spent many hours putting this document together. Once these rules have been approved by our members at the Annual General Meeting, they will be submitted to Consumer Affairs for formalisation.



The Board meets regularly throughout the year to work on the many matters that require decisions regarding the future of Westgate Health. Each member of the board is a volunteer, and I thank them for their time and dedication to the ongoing development of the Co-operative over the last 12 months.

**Patricia McLean**  
Chairperson



# EXECUTIVE OFFICER

## MARY-ANNE PERRY REPORT

*“We continue to be committed to deliver a quality service to our members in this ever changing climate”.*

I am pleased to be able to report to our members that Westgate Health Co-operative has accomplished a successful year with strong growth in many areas. We are thankful for the loyal and caring Doctors, Dentists, Nurses and reception staff that continue to support the direction of the organisation and we recognise their hard work and contribution.

Both our South Kingsville and Newport clinics undertook Accreditation in December 2013. This is an important process that the organisation completes every three years. Accreditation is an industry mark of quality and independent recognition that we continue to deliver safe and high quality health care.

We completed this process with AGPAL and this is compliant with the Royal Australian College of General Practitioner (*RACGP Standards for general practices*). We are pleased to advise that Westgate Health passed with flying colours and we look forward to continue this high standard of general practice.

We have been very fortunate over the past 12 months to be able to recruit three new doctors to the organisation. This has enabled us to address the feedback that we received from members in regards to appointment availability. We are now in the position where we can encourage new patients to be part of the co-operative and have available doctors to service their needs. We also continue our valuable work in our training of registrars and medical students, working in partnership with Victorian Metropolitan Alliance (VMA) and The University of Melbourne.

Communication continues to be a strong focus for WGH. We have enhanced a number of key areas across the organisation to enable better communication between us and our members. The website now enables membership payments to be made online, as well as the ability to log in and update your contact details. This has proven to be a convenient feature for many. The inaugural member's day held in February 2014 was the starting point for us to connect with our members and hear what you have to say and to find out what is planned for the year ahead.

We recognise the challenges that lie ahead of us with possible government changes to fee structures within the next 12 months. However we remain confident in our ability to be able to deliver a holistic medical service to our members that continues to fill the needs of the community.

**Mary-Anne Perry**  
Executive Officer

# TREASURER'S REPORT

## DINA LYNCH

The organisation has progressed from strength to strength with an excellent result for the year to 30 June 2014 being reported of \$377,349. This compares very favourably with last year's \$255,630.

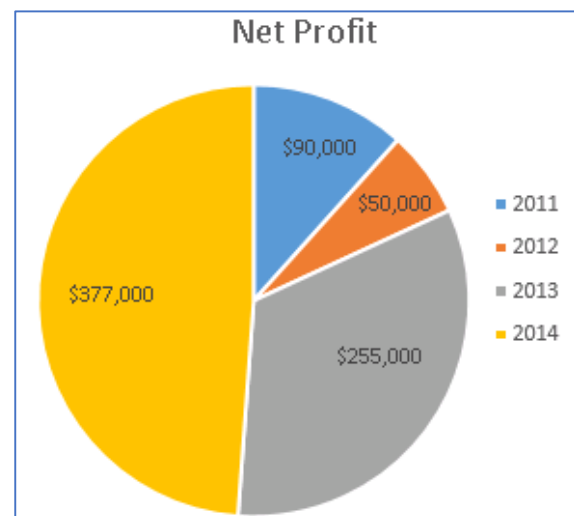
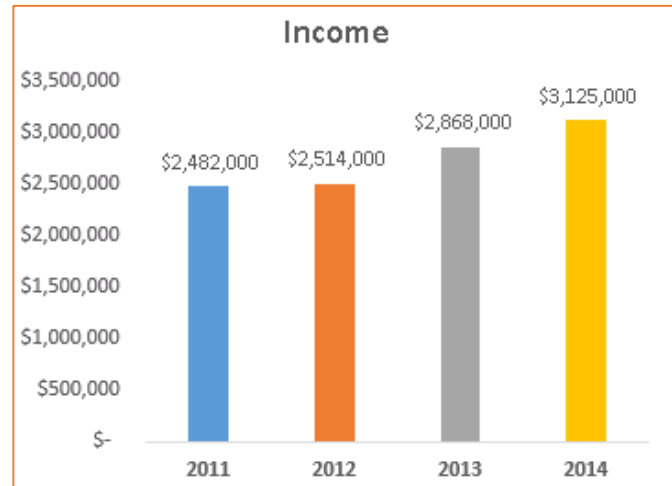
Income for the year to 30 June 2014 at \$3,125,526 was an increase of 9.0% on the previous year, \$2,868,288, whereas total costs were contained within a 5.0% increase .

Considerable work was undertaken in refurbishing our clinic at Home Road, Newport and many of you will have seen the major upgrade underway at our South Kingsville premises with increased space as the frontage is brought into line with neighbouring premises.

The refurbishment at Newport and major work at South Kingsville are the visible signs of maintaining the fabric of Westgate Health Co-op. Less visible perhaps but equally important are the ongoing investments in equipment and IT services which ensure that members are provided with the best service possible. This year \$54,972 was spent on Capital Expenditure.

Work of this nature has been possible due to the excellent results and the consequent increase to our Resources, as can be seen from the Balance Sheet with Cash at Bank growing to more than \$800,000.

The attached graphs show the growth in income and net profit and how that is reflected in the strength of our cash flow.



All the above progress would not be possible without the tireless work contributed by staff at all levels of the organisation and fulsome recognition is due to them all.



# REFURBISHMENT

## NEWPORT

The upgrade of our Newport clinic is now completed and the new entrance has been well received. With the addition of a self-opening door, railing and a wider ramp area, access to the clinic has been made considerably easier for our patients.

The reception and waiting area has been re-carpeted, painted and new seating installed. Everybody loves our new look.



## SOUTH KINGSVILLE



July 2014 saw the start of the much anticipated upgrade of the South Kingsville clinic. As you can see from the photos, work is well underway with a completion date of October 2014 planned.

Disruption to the day to day running of the clinic has been minimal, with access through the pharmacy next door working very well.

We are excited and look forward to the prospect of delivering a much improved facility to both our patients and staff.



Our Executive Officer Mary-Anne Perry

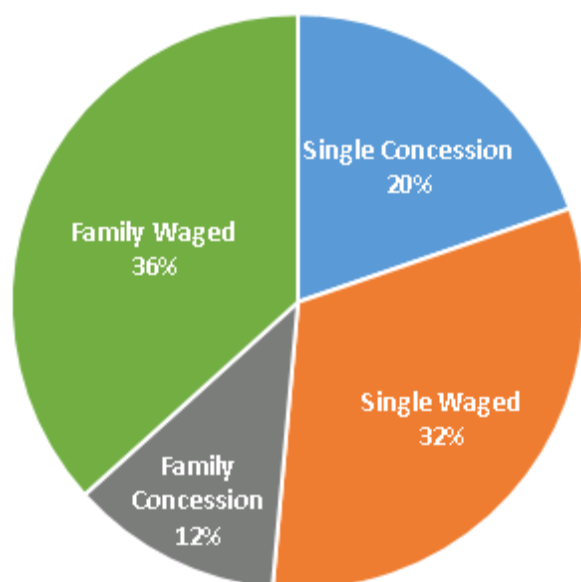
# MEMBERSHIP

## MESSAGE FROM A MEMBER

“As a very early member of the Westgate Health Co-op I have nothing but praise, admiration and thanks for the doctors whom I’ve seen over many years. From home visits to a new mum who had no idea what was happening when her son had colic; to my GP who’s been prepared to spend time, advice and go beyond the “call of duty” to help her patient; to the cheerful staff on reception – to me nothing ever seemed to be too much inconvenience for any of them. This is the finest healthcare at its best.”

Cherry Jackson July 2014 – Westgate Health Member

## 2013-2014 MEMBERSHIPS



Membership continues to be strong in the 2013-2014 year with a total number of active members now in excess of 9000.

The graph shows us the breakdown of membership types that currently make up Westgate Health members.

## DONATIONS

We gratefully acknowledge the donations we received for year 2013-2014 totaling \$962.00

This money is much appreciated and will be used to fund future needs of Westgate Health Co-operative.



Search 'Westgate Health Co-op' on facebook to like our page to keep up to date with what is happening.

# ANNUAL HIGHLIGHTS



## INAUGURAL 2014 MEMBERS DAY

Face painting, sausage sizzle and great conversation marked the beginning of our first annual member's day.

Members were invited to come along to Edwards Reserve to meet and greet the board, chat to fellow members and be a part of their co-operative.

It was great to see young and old members alike, enjoying a sausage cooked by two of our board members.

This will be a yearly event, and we hope to see you all there again next year.





# ANNUAL HIGHLIGHTS

## COMPUTER UPGRADE



Reliable and secure IT is a vital component of running a general practice today. Westgate Health undertook a major technology upgrade in late 2013.

This improvement allows the organisation to gather and share information across both sites through one common server.

Our doctors now have the ability to access medical records of patients regardless of which clinic they visited.

This system allows us to continue to ensure the privacy and safety of confidential medical records, and has improved the efficiency of the organisation across the board.

## END OF YEAR CELEBRATION

Board members, Doctors and staff members all enjoyed an end of year get together.

We celebrated the conclusion of a busy and eventful year with the hard work of a successful accreditation behind us.

It was a great opportunity for everyone to come together outside of work.



# FINANCIAL STATEMENTS

**WESTGATE HEALTH CO-OPERATIVE LTD**

**ABN 96 221 218 119**

For The Year Ended

30 June 2014



## Statement of Comprehensive Income for the Year ended 30 June 2014

|  | <b>2014</b>    | <b>2013</b> |
|--|----------------|-------------|
|  | <b>\$</b>      | <b>\$</b>   |
| Profit for the period                                  | <b>377,349</b> | 255,629     |
| Other Comprehensive income:                            |                |             |
| Net gain on revaluation of land and buildings          | -              | 133,876     |
| Other Comprehensive Income for the period (net of tax) | -              | 133,876     |
| Total Comprehensive Income for the period              | <b>377,349</b> | 389,505     |

## Statement of Changes in Equity for the Year Ended 30 June 2014

|                                | <b>Retained<br/>Profits</b> | <b>Asset<br/>Revaluation<br/>Reserve</b> | <b>Total</b> |
|--------------------------------|-----------------------------|--|--------------|
|                                | <b>\$</b>                   | <b>\$</b>                                | <b>\$</b>    |
| Balance at 1 July 2012         | 329,673                     | 366,166                                  | 695,839      |
| Profit attributable to members | 255,629                     | 133,876                                  | 389,505      |
| Balance at 30 June 2013        | 585,302                     | 500,042                                  | 1,085,344    |
| Profit attributable to members | 377,349                     | -  | 377,349      |
| Balance at 30 June 2014        | 962,651                     | 500,042                                  | 1,462,693    |

**Statement of Financial Position  
as at 30 June 2014**

|                                      | Note | 2014<br>\$ | 2013<br>\$ |
|--------------------------------------|------|------------|------------|
| <b>Current Assets</b>                |      |            |            |
| Cash and Cash Equivalents            | 3    | 828,259    | 492,186    |
| Trade & Other Receivables            | 4    | 21,228     | 23,176     |
| Other                                | 5    | 43,951     | 42,624     |
| <b>Total Current Assets</b>          |      | 893,438    | 557,986    |
| <b>Non Current Assets</b>            |      |            |            |
| Property, plant & equipment          | 6    | 799,402    | 773,556    |
| <b>Total Non Current Assets</b>      |      | 799,402    | 773,556    |
| <b>Total Assets</b>                  |      | 1,692,840  | 1,331,542  |
| <b>Current Liabilities</b>           |      |            |            |
| Trade & Other Payables               | 7    | 164,784    | 193,585    |
| Provisions                           | 8    | 50,777     | 44,180     |
| <b>Total Current Liabilities</b>     |      | 215,561    | 237,765    |
| <b>Non Current Liabilities</b>       |      |            |            |
| Provisions                           | 8    | 14,586     | 8,433      |
| <b>Total Non Current Liabilities</b> |      | 14,586     | 8,433      |
| <b>Total Liabilities</b>             |      | 230,147    | 246,198    |
| <b>Net Assets</b>                    |      | 1,462,693  | 1,085,344  |
| <b>Equity</b>                        |      |            |            |
| Issued Capital                       | 9    | -          | -          |
| Reserves                             | 10   | 500,042    | 500,042    |
| Retained Profits                     |      | 962,651    | 585,302    |
| <b>Total Equity</b>                  |      | 1,462,693  | 1,085,344  |

## Cash Flow Statement for the Year Ended 30 June 2014

|  | Note  | 2014<br>\$  | 2013<br>\$  |
|--|-------|-------------|-------------|
| <b>Cash Flows from Operating Activities</b>                |       |             |             |
| Receipts from service users and other income               |       | 3,127,475   | 2,862,853   |
| Payments to Suppliers & Employees                          |       | (2,736,430) | (2,547,894) |
| <b>Net Cash Provided by (Used in) Operating Activities</b> | 13(b) | 391,045     | 314,959     |
| <b>Cash Flows from Investing Activities</b>                |       |             |             |
| Payments for Property, Plant & Equipment                   |       | (54,972)    | (13,113)    |
| <b>Net Cash Provided by (Used in) Investing Activities</b> |       | (54,972)    | (13,113)    |
| <b>Cash Flows from Financing Activities</b>                |       |             |             |
| Proceeds (payments) from borrowings                        |       | -           | -           |
| <b>Net Cash Provided by (Used in) Financing Activities</b> |       | -           | -           |
| Net Increase (Decrease) in Cash Held                       |       | 336,073     | 301,846     |
| Cash at 1 July 2013  |       | 492,186     | 190,340     |
| Cash at 30 June 2014                                       | 13(a) | 828,259     | 492,186     |



**Independent Audit Report  
To The Members of Westgate Health Co-operative Ltd**

**REPORT ON THE FINANCIAL REPORT**

We have audited the accompanying financial report of Westgate Health Co-operative Ltd, which comprises the statement of financial position as at 30 June 2014, and the statement of profit and loss, statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration of the entity.

*Directors' responsibility for the financial report*

The directors of the entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Co-operatives Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

*Independence*

In conducting our audit, we have complied with the independence requirements of the Co-operatives Act. We confirm that the independence declaration required by the Co-operatives Act, provided to the directors would be on the same terms if provided to the directors as at the date of this auditors' report.

*Auditor's Opinion*

In our opinion:

- a. The financial report of Westgate Health Co-operative Ltd is in accordance with the Co-operative Act, including:
  - (i) giving a true and fair view of the entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Co-operatives Act.
- b. The financial report also complies with International Financial Reporting Standards.

Stannards Accountants & Advisors

Michael Shulman  
Partner

**Compilation Report  
To The Members of the Westgate Health Co-operative Ltd**

**SCOPE**

On the basis of information provided by the directors of the Westgate Health Co-operative Limited, we have complied in accordance with professional and ethical standards APES 315: Compilation of Financial Information the attached special purpose financial report of Westgate Health Co-operative Limited comprising the Detailed Profit and Loss Statement for the year ended 30 June 2014.

The specific purpose for which the special purpose report has been prepared is for the confidential use of directors and members. All accounting standards and other mandatory professional reporting requirements have not been adopted in the preparation of the attached special purpose report.

The directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of Westgate Health Co-operative Limited's constitution and are appropriate to meet the needs of the directors and members.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage, which any person, other than the Co-operative may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without an audit or review conducted.

The special purpose report was prepared for the benefit of the directors and members and the purpose defined above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

Stannards Accountants & Advisors

Michael Shulman  
Partner

**Please note a full copy of our Financial Statement is available on request.**



**19 Vernon Street South Kingsville**

**Phone: (03) 9391 6777**

**Fax: (03) 9391 6680**

**2 Home Road Newport**

**Phone: (03) 9391 2222**

**Fax: (03) 9399 1540**

**Postal Address**

**PO Box 11**

**Altona North 3025**

