

# WESTGATE HEALTH CO-OPERATIVE

## 2016 ANNUAL REPORT



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# CHAIR'S REPORT:

Patricia McLean

It has been a year of considerable achievement for Westgate Health Co-operative (WGH). With membership approaching 10,000, WGH continues to be the clinic of choice in our community. Members have valued the range of services provided, and they have been kept informed and up to date with developments at WGH.

We have continued to focus on the improvement of the buildings at the Vernon Street clinic; the main highlight being the purchase of 21 Vernon Street for redevelopment into our administration building. This building has been designed to accommodate our Executive Officer, administration staff, a kitchen/dining area for staff, with an adjoining meeting/Boardroom. I thank all members of Westgate Health workforce for their patience while the rebuilding of 21 Vernon Street has taken place.

Westgate Health focuses on providing high quality professional service to our membership and in accordance with our 2013-2017 Strategic Plan, the Board agreed that WGH needed a more concise strategic direction. The value of knowledge and care for the community continues to increase with WGH focusing on the outcomes of a Strategic Planning Day held last year. The document produced from this planning day has given the Board a 'Road Map' for the future of WGH. Within this Road Map, the Board is currently working on how WGH can create a stronger identity; how we enhance and facilitate primary care; the importance of men's health; and how we can utilise our co-operative model in other communities.

The range of activities and achievements of WGH over the past year can be found in the following pages of this Annual Report. To enhance our services to the community, both now and into the future, it is with pleasure that I can tell you that Westgate Health Charitable Trust was established in June this year to build up a Future Fund for the wellbeing of both the organisation and the members, who will also be invited to contribute to the fund in future.

I take this opportunity to thank everyone who has contributed to the success of WGH and its role within our community over the past year – doctors, staff, allied health, dental, and the Board Members who willingly give up their time to make WGH what it is today. On behalf of the Board of WGH, I thank everyone for their professionalism and support.

Upon reflection of the achievements of WGH, particularly those in the recent past, I'm reminded of what WGH has accomplished over its three decades of operation with each year's efforts building on the previous year. So I would like to thank, not only my fellow Board Members for their support this year, but also those who have helped to make WGH what it is today.

Patricia McLean

Chairperson

# EO REPORT:

Mary-Anne Perry

I am pleased to be able to report to our members and the wider community that Westgate Health Cooperative has completed a successful and exciting 12 months. We have delivered across a wide range of our identified key objectives and have detailed these further in this Annual Report.

This past year has seen some pleasing results in the area of supporting and providing staff with training and study. One staff member completed a Diploma of Nursing whilst working this year and we are currently supporting another staff member in her studies to complete qualifications as a Dental Nurse. As an employer we also offered to all staff the opportunity to complete an accredited CPR course. 27 staff members successfully obtained this qualification in line with accreditation standards for the organisation. We believe this is an important role that we as an employer can play in the ongoing professional development of all of our staff.

Domestic Violence is an ever increasing problem for all in our community and we recognise our role as health care providers to be aware and assist all who may experience this. As part of this work we successfully applied for and received a grant of \$5000 from Primary Health Network (PHN) to deliver training to our Doctors and staff to better identify and refer on patients who may need help and support. Many organisations in the western suburbs of Melbourne are doing positive work in this area and we hope that Westgate Health can be part of the solution to this ever growing problem.

Buildings and work spaces to better deliver our services now and for the future generations of members continues to be a focus. As most would be aware we continue to update and improve our facilities at South Kingsville and this will be completed later this year. Following on from this work our Newport clinic has also been identified as an area of need in this development. It is planned for 2017 that we look at these facilities and how we may best move forward to deliver an improved and updated building for these member and patients.

We look forward to 2017 with plans to:

- Successfully complete Accreditation in March 2017 for both clinics
- Plan and deliver health promotion events for our members and the community in the new meeting space provided at 21 Vernon
- Continue our work in the community around Domestic Violence
- Ongoing support to our staff in training and professional development and promote a caring and flexible workplace
- Explore opportunities to expand Westgate Health within the community
- Promote the Westgate Health Charitable Trust to our members

I would like to take this opportunity to thank the team of dedicated staff and our Board of Directors who continue to work together to deliver a quality health service to our members.

We are all committed to the core values and ethos of Westgate Health Cooperative – to deliver health services to our community in an affordable, cooperative and caring model.

Mary- Anne Perry  
Executive Officer

# IDENTITY:

who we are & what we do



**8**

Board Members



**16**

Dedicated Doctors  
& Dentists



**16**

Professional  
Employees



**11**

Allied Health



**10,000**

Current Members



**1000**

Average no. patients  
per week



**36**

Years serving the  
community



**\$4.01 Million**

Income 2015/2016



**\$508,000**

Surplus 2015/2016



**2**

Number of medical  
centres

# Our Vision & Mission

Westgate Health Co-operative wishes to empower people to work cooperatively and to create healthy communities. We contribute to the health and wellbeing of individuals and their communities through the provision of high quality, affordable health services.

Westgate Health Co-operative contributes to creating healthy communities by providing high quality affordable health services. To achieve this mission Westgate Health Co-operative will:

- Provide accessible, patient focussed healthcare
- Act professionally and ethically in providing high quality health services
- Strengthen membership involvement in the planning and the delivery of health care in the community
- Value and respect our members
- Advocate and participate in health education, illness prevention and harm minimisation activities in the community.

## Vision / Mission

Westgate Health Cooperative wishes to empower people to work cooperatively and to create healthy communities. We contribute to the health and wellbeing of individuals and their communities through the provision of high quality, affordable health services.

## Our Services

Medical Services

Dental Services

Allied Health Services

Pathology Services

## Cooperative Values & Beliefs

1. Voluntary and open

2. Democratic Control

3. Autonomy & Independence

4. Education & Training

5. Cooperation among cooperatives

6. Concern for Community

## Governance & Leadership

Regulatory & Quality Assurance  
AGPAL accredited

The Board  
strategy and oversight

Executive Officer  
high quality doctors and professional staff

## Sustainable Economic Performance

Growing income  
\$4,01M

Regular Surplus  
\$500,000

Healthy Balance Sheet  
\$2.2M

Property Investment and Renovations  
\$468,000

## Social Performance

A welcoming medical practice and savings for Members

Health Services for our Community

Caring and flexible workplace for our Staff

## Plan for 2017

1. Accreditation

2. Members Communication

3. Community engagement

4. Complete Refurbishment

# Our Team

## Doctors

Dr Maryann Spottiswood  
Dr Stephen O'Shea  
Dr Kay Whitfield  
Dr Simon Leslie  
Dr Chris Watts  
Dr Catherine Davey  
Dr Richard Sloman  
Dr Krish Dinesh  
Dr Magda Wojtasiak  
Dr Choi Kwan  
Dr Shankar Srinivasan  
Dr Ceinwen Carlsson  
Dr Dora Hu  
Dr Yasmin Ameen

## Dentists

Dr Gabriela Hanciu  
Dr Marianne Brownlee

## Executive Officer

Mary-Anne Perry

## Office Manager

Katrina Kortlang

## Receptionists

Kelly-Anne  
Gina  
Erin  
Lucy  
Megan  
Barb

## Nurses

Phuong  
Trudi  
Bernadette

## Dental Nurses

Bron  
Amna  
Sharona

## Accountant

Peter Cash

## Bookkeeper

Devi

## Allied Health

Psychology - Pat McLean,  
Gael Meadowcroft & Ken  
Holland  
Physiotherapy - Tony Day,  
Alice Hill  
Acupuncture –  
Peter Ferrigno  
Podiatry –  
Jair Butler  
Diabetes Educator –  
Karen Thorne  
General Surgeon –  
Howard Parker  
Mental Health Nurse –  
Jo Shokralla  
Dietitian - Emily Pereira



# CO-OPERATIVE:

our principles & values

## International Co-operative Alliance

The International Co-operative Alliance has developed co-operative Principles for co-operatives throughout the world as guidelines to put co-operative values into practice:

- voluntary and open membership
- democratic member control
- member economic participation
- autonomy and independence
- education, training and information
- co-operation among co-operatives
- concern for community



## Westgate Health Co-operative

Westgate Health Co-operative promotes co-operative principles and values by promoting:

- ✓ **Voluntary membership and open door policy:** everyone can become a member and access our services
- ✓ **Democratic values:** every membership has one vote which is exercised to elect the Board at the Annual General Meeting
- ✓ **Mutuality:** all members are treated equally and equally benefit from the products and services provided by Westgate Health
- ✓ **Inter-generational solidarity:** all profits are re-invested back into the co-operative and the assets cannot be distributed so the co-operative will continue to exist for the benefit of future generations and all members of our community

Westgate Health relies on membership fees and bulkbilling rebates to fund its operations. They help cover the costs associated with operating our two clinics. We believe that the Co-op's philosophy of members' fees provides a more equitable system of providing high-quality health care to the whole community, rather than having to charge a fee for every medical service.

Current annual membership fees are:

- Joining fee (one off fee, new members only) \$30
- Single Concession Card Holder \$30
- Family Concession Card Holder \$50
- Single Waged \$50
- Family Waged \$90

# GOVERNANCE:

how we deliver

## Regulatory & Quality Assurance

Westgate Health is an AGPAL accredited General Practice. Accreditation takes place every three years and general practices are assessed against standards provided by the Royal Australian College of General Practitioners. Westgate Health complies with all legislative and professional requirements.



## Our Board

The Westgate Health Board represents the membership and has a legal obligation to protect the assets of the co-operative. It is ultimately responsible for providing strategic direction and to make sure that Westgate Health meets its performance targets in compliance with the law and other professional requirements.

The Board performs its functions by:

- Approving the strategic plan (road maps)
- Appointing the Executive Officer, Mary-Anne Perry, who is responsible for managing staff, to implement the strategic plan and to report regularly to the Board
- Providing regular strategic and operational oversight to make sure that goals are achieved in compliance with the law
- Meeting at regular intervals
- Reviewing and endorsing the Annual Report which is put to members at the Annual General Meeting

The Westgate Health Co-operative Board is elected by members. Each membership is allocated one vote. The Board comprises eight board members. Patricia McLean is the current Chairperson of the Board. For the year 1<sup>st</sup> July 2015 – 30<sup>th</sup> June 2016 there were 11 WGH board meetings held. Please see table of attendance below.

Board Member	Number Attended
Patricia McLean	10
Ann Allenby	10
Peter Cash	8
Patrick Ferdinands	9
Dina Lynch	11
David Martin	9
Gordon McLean	10
Rhyce Meddings	9



Patricia is a fully registered practising psychologist and has been a Westgate Health board member for 10 years.

**Patricia McLean –  
Chair**



Ann has over 25 years' experience in the health management sector in a range of areas such as clinical service manager, research and quality management.

**Ann Allenby**



Peter is a Chartered Accountant who came to Australia in 1984 as head of Borthwicks' Meat operations in Australia and Japan.

**Peter Cash**



Patrick is a Victorian Public Servant, having joined the service in 1990. In his current role, Patrick utilises his specialist legal skills in a number of Government inquiries.

**Patrick Ferdinands**



Dina has had many years experience in the not-for-profit sector in senior roles. She has also served 7 years as a councillor for Maribyrnong City Council.

**Dina Lynch –  
Treasurer**



David has vast experience in business development in small, medium and community based organisations.

**David Martin**



Gordon is the managing Director of a well-established packaging business and also a Director and Deputy Chairman of a listed Public company.

**Gordon McLean**



Rhyce has a background in Business Development and Marketing with a Degree in Biomedical Science.

**Rhyce Meddings**

# TREASURERS REPORT:

Dina Lynch

Westgate Health has continued to make a profit, increase overall equity and carry on with the refurbishment of Vernon Street without borrowing money.

Westgate Health is a sustainable co-operative enterprise. It is an enterprise that is meeting the needs of the present without compromising the ability of the future generations to meet their own needs.

A thoroughly pleasing result for the year with increased income, controlled costs and all against the background of continuing development.

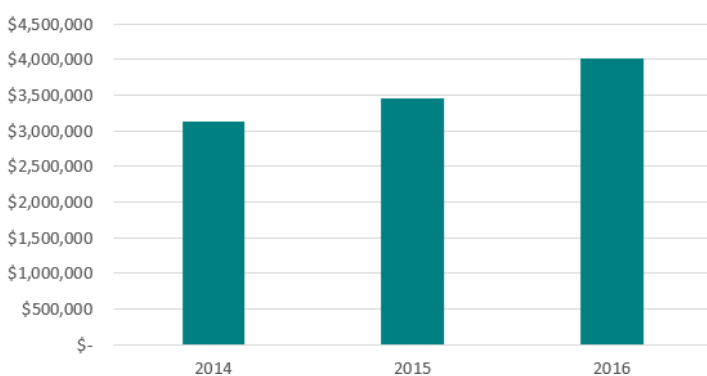
Total Income at \$4.01m represents an increase of 15.8% when compared to last year. Total expenditure on the other hand at \$3.50m increased by 8.00% with the result that the surplus for the year amounted to \$507,967.

Whilst this result may be viewed as healthy one has to remember that there are constant calls for surpluses to be reinvested in the organisation in the shape of continuing capital expenditure on both buildings and equipment.

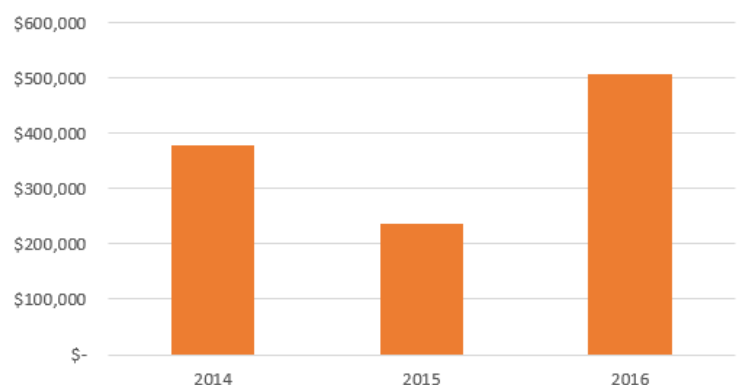
The balance sheet now has a healthy bank balance of \$1,05m notwithstanding net capital expenditure during the year of \$671,926. This expenditure included the purchase of an adjoining property at South Kingsville. Renovations to the property have commenced but the majority of that expense will not be seen until the 2017 accounts are presented.

The co-operative is now in a position where it is well placed to face the challenges of the immediate future and where desirable to offer increased services to the membership.

Income Comparison



Profit Comparison



# SOCIAL PERFORMANCE:

benefits to members, staff and the community

**Westgate Health is a socially responsible co-operative enterprise focussing on providing health services to members, the community and its professional staff.**

## Benefits to Members

Members have access to comprehensive medical services provided by caring doctors.



## Benefits to the Staff

Professional, courteous and caring staff are vital for the success of the Westgate Health co-operative. We care for our staff by offering the following benefits:

- Pay award salaries and comply with industrial relations protocols
- Access to medical benefits
- Flexible working hours
- Benefits outside awards



## Benefits to the Community

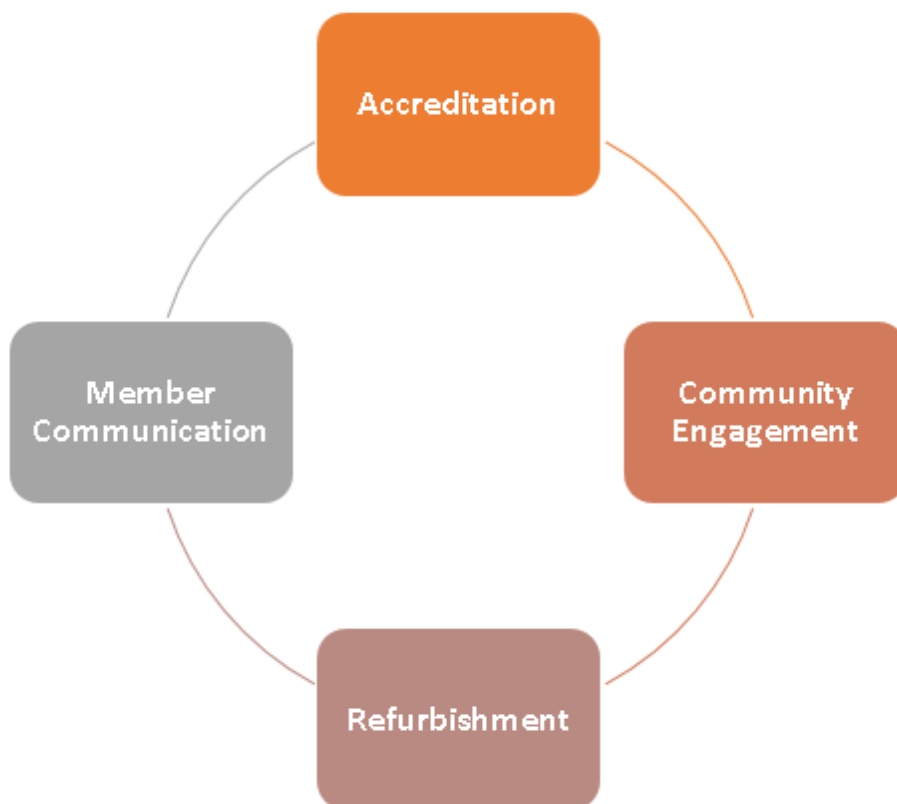
Westgate Health Co-operative is part of the community in which it operates (Kingsville and Newport) but its benefits spill over to surrounding neighbourhoods scattered in the western suburbs.

Key benefits to the community include:

- ✓ General Medical Practices providing medical services to members and non-members uninterrupted since 1980 keeping the community healthy
- ✓ Profits are not distributed to shareholders but are retained in the co-operative to be used by future generations
- ✓ Promoting well-being for the community by participating at events such as Dental Health Week
- ✓ A charitable trust, Westgate Health Charitable Trust, has been established to develop a fund which can be used in the future to provide improved services and facilities for the benefit of the local community

# THE NEXT YEAR:

plans and hopes for 2017



## Accreditation

Westgate Health will undergo our three yearly Accreditation in March 2017. This is an important and beneficial exercise to ensure that we are working within RACGP guidelines and delivering best practice to our patients.

## Community Engagement

Westgate Health recognise the benefits to deliver appropriate health messages and information to our community. It is planned to hold health education and information sessions during 2017. The aim is to utilise our new space to invite members and the community to participate in these activities.

## Refurbishment

2017 will see the completion of the refurbishment at South Kingsville. The Newport clinic will then be prioritised to ensure that all services under the Westgate Health banner are being delivered in modern and suitable buildings for both patients and staff.

## Member Communication

To continue the commitment to communicate and listen to our membership. To work together to understand and ensure that all services that are needed are being delivered. This will be done via a comprehensive members survey (February 2017), and the delivery of information in the clinics, on our website and via email to members.

**WESTGATE HEALTH CO-OPERATIVE LTD**

**ABN 96 221 218 119**

**ABRIDGED  
FINANCIAL STATEMENTS**

**For The Year Ended**

**30 June 2016**

**Statement of Profit and Loss  
for the Year Ended 30 June 2016**

	Note	2016 \$	2015 \$
Revenue		4,007,288	3,461,192
Expenditure:			
Co-operative		151,239	275,340
Dental		34,561	28,514
Medical		269,995	356,374
Employment		2,846,926	2,422,788
Other		196,600	140,850
<b>Total Expenditure</b>		<b>3,499,321</b>	<b>3,223,866</b>
<b>Profit before and after income tax of \$nil</b>		<b>507,967</b>	<b>237,326</b>

**Statement of Comprehensive Income  
for the Year ended 30 June 2016**

	2016 \$	2015 \$
Profit for the period	507,967	237,326
Other Comprehensive income:		
Net gain on revaluation of land and buildings		
Other Comprehensive Income for the period (net of tax)	-	-
<b>Total Comprehensive Income for the period</b>	<b>507,967</b>	<b>237,326</b>



**Statement of Financial Position  
as at 30 June 2016**

	Note	2016 \$	2015 \$
<b>Current Assets</b>			
Cash and Cash Equivalents		1,045,981	708,509
Trade & Other Receivables		15,621	28,555
Other		37,381	32,416
<b>Total Current Assets</b>		<b>1,098,983</b>	<b>769,480</b>
<b>Non Current Assets</b>			
Property, plant & equipment		1,815,731	1,195,898
<b>Total Non Current Assets</b>		<b>1,815,731</b>	<b>1,195,898</b>
<b>Total Assets</b>		<b>2,914,714</b>	<b>1,965,378</b>
<b>Current Liabilities</b>			
Bank Loan		89,369	-
Trade & Other Payables		263,797	192,333
Provisions		65,853	52,753
<b>Total Current Liabilities</b>		<b>419,019</b>	<b>245,086</b>
<b>Non Current Liabilities</b>			
Bank Loan		268,431	-
Provisions		19,278	20,273
<b>Total Non Current Liabilities</b>		<b>287,709</b>	<b>20,273</b>
<b>Total Liabilities</b>		<b>706,728</b>	<b>265,359</b>
<b>Net Assets</b>		<b>2,207,986</b>	<b>1,700,019</b>
<b>Equity</b>			
Issued Capital		-	-
Reserves		500,042	500,042
Retained Profits		1,707,944	1,199,977
<b>Total Equity</b>		<b>2,207,986</b>	<b>1,700,019</b>

**Cash Flow Statement  
for the Year Ended 30 June 2016**

	Note	2015 \$	2015 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from service users and other income		4,020,222	3,453,865
Payments to Suppliers & Employees		(3,368,624)	(3,131,580)
<b>Net Cash Provided by (Used in) Operating Activities</b>		651,598	322,285
<b>Cash Flows from Investing Activities</b>			
Payments for Property, Plant & Equipment		(671,926)	(442,035)
<b>Net Cash Provided by (Used in) Investing Activities</b>		(671,926)	(442,035)
<b>Cash Flows from Financing Activities</b>			
Proceeds (payments) from borrowings		357,800	-
<b>Net Cash Provided by (Used in) Financing Activities</b>		357,800	-
Net Increase (Decrease) in Cash Held		337,472	(119,750)
Cash at 1 July 2015		708,509	828,259
Cash at 30 June 2016		1,045,981	708,509

**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 2016, 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 2016 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

Dated: 18/8/16

**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 2016.

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

Melbourne

Dated: 18/8/16







# WESTGATE HEALTH

co-op ltd



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