



Ostomy NSW Limited

AGM 2021

Presentation

20 November 2021



Welcome



Acknowledgement of Country

- Ostomy NSW Limited acknowledges the Dharawal speaking people who are the Traditional Custodians of the land of Sutherland Shire
- We pay respect to the Elders past and present of the Dharawal nation and extend that respect to other Aboriginal people visiting this site
- The Sutherland Shire is unique in Australia's history, as Kamay Botany Bay was the location of the first recorded contact point between our First Nations people and Europeans.

Agenda

11:00am – AGM

1. Bring the AGM to order – open the meeting.
2. Zoom participants to be recorded (email to manager@ostomynsw.org.au)
3. Record any apologies / acknowledge number of proxies.
4. Minutes of past AGM.
5. Vice President's report.
6. Director's Finance discussion.
7. Manager's Report.
8. Resolutions:
 - Finance Report
 - Remuneration Report
 - Election of Directors
9. Questions
10. Declare AGM closed

Attendees | Apologies | Minutes

Vice President's Report

Vice President's Report

Good day fellow Ostomates

- For 2 years & ongoing your Association has focused on keeping your pouch attached. Like our kangaroo!
- We've had some Covid 'close contacts' & 'stay at home isolations', yet us Members of ONL continue to receive items essential for our lives delivered.
 - **A huge thank you to our Staff and Volunteers**
- This year we report on various ostomate opinion surveys from May 2019 to September 2021. The May 2019 ONL only survey informed the Board of what members wanted. ONL delivered in time for Covid threats. Online services replaced 'face to face' & letter post, gave increased speed, reduced members' ordering costs
- ONL engaged professional communication company to enable bulk emails and SMS capabilities, complimented with Social Media (Facebook) to inform our members of urgent issues as Covid brought increased uncertainty. Parcel notes still issued.
- Our Volunteers are wonderful people, most are ostomates, or relations. They know the Stoma Appliance Scheme (SAS), relate to members, and provide a tremendous services at little cost to members. Services save us \$260,000. **Love them.**
- The issue with the Strata Building insurance claim slowly flows towards a resolution. Recently our Strata Scheme obtained a valuation report, a value in line with ONL accounts' asset value

Vice President's Report

- Revenue. Did reduce during 2020-21. ONL received some Government financial support. Proportion of that support was in turn paid as increased wages to employees.
- Surveys report that ostomates are concerned at SAS costs to them. ONL has implemented a new professional donation program. Yet few members donate at all. A proportion of members are struggling. Need help from the broad cohort of ostomates. There is a long list of services ostomates want, yet revenue is needed to satisfy those needs, wants. It costs money as Associations share cost to solve some ostomate needs.
- New revenue needs to be gained to improve the lifestyle of ostomates.

On behalf of members, a big thank you for those at ONL who volunteer to serve, manage the business. They don't have to

Finally, the Government has left SAS with the Associations. It could have gone.

Ostomy NSW a 6 Star Association



***Welcome to a summary discussion of the
important Stoma Appliance Scheme ‘SAS’
events that occurred between
August 2019 & September 2021***

ONL Summary of Surveys and actions

- This article is Ostomy NSW (ONL's) opinion on the various actions that have occurred.
- The article's intention is to inform, be transparent and encourage ONL member feedback on the rankings, services, and implications.
- This article relates 3 ostomate survey results and Department of Health ("DoH") 'how to choose Association criteria' to ONL's operations between May 2019 and September 2021.
- It includes implications from the DoH request for expression of interest "REOI" for entities to newly manage distribution and education to ostomates,

ONL Summary of Surveys and actions

Continuing to improve access and services for members is key, feedback from our members plays an important role

- ONL surveyed its members in **May 2019** with over 1,110 respondents. ONL then set about implementing its members' needs.
- In **August 2019**, the Department of Health (DoH) undertook an open national questionnaire with 2,297 Australian ostomates out of 45,000 responding.
- In **May 2021**, (during Covid) the Australian Council of Stoma Associations (ACSA) surveyed the national Ostomate population with a large participation rate, some 8,169 respondents of which 1,149 were ONL members.

Summary of what we heard

Overall high Ostomate satisfaction with Association, with key themes resonating with Members

- Association opening hours; 95% positive,
- Ordering timeframes; 89%, within 14 days
- On-line ordering system, important : 65%
- Links to suppliers and better product information: 40% very important
- Offering a choice for ostomates to collect orders: very important 25%
- The role & benefits of a stomal nurse; online STN access important for 25%
- Ostomates in regional and remote locations felt they did not receive the support they needed
- Extent ostomates order for themselves
- Lack of ostomate ability to understand all the SAS products,
- Ostomate fee, costs a concern
- Extent of items on SAS; Department has added SAS item listing to their web site.

What are we doing at ONL?

ONL believes in Ostomates managing and directing their services, with their Stoma Associations being an Ostomocracy!

What are we doing at ONL?

**Overall
Satisfaction 98%
no concerns &
happy!**



**@ ONL,
ostomate is the
focus**



**On line ordering.
Provision of;
ACSA rated 65%**

**Association web
sites, like ONL is
rated 73%.**



**Where is my
Order??
ONL offers
tracking**



**Over 95% of
members gave ONL
an 8+ for staff +
volunteers' phone
service.**



**Order-delivery
times
61% < 7 days**



What are we doing at ONL?

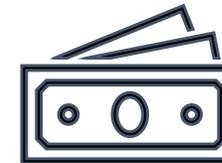
Role of stomal nurse.



Tele-medicine available

Improves access for remote ostomates

**Continued
Government funding
to Associations
remains a challenge**



**For ONL to remain
competitive
we rely on
volunteers and
donations**

**ONL remains
independent of
supplier influence**



ONL a 6-Star Rating

How to access the scheme

Each stoma association has its own fees and processes, so we recommend you select the one that suits your needs best. Your stomal therapy nurse might be able to help you. When choosing an association, you might consider their:

1. Annual fee for the scheme, and payment plan arrangements for financial hardship.
2. Whether they offer other services and charge a fee for these.
3. Location – you might prefer an association close to
4. Postage fees - if you want to receive your supplies by post
5. Opening hours
6. Ordering process – some have closing dates each month for orders, some keep stock on site and post as soon as they receive your order, some order from the supplier when they receive an order. Some have on line ordering.

Stoma Appliance Scheme

The Stoma Appliance Scheme provides free stoma appliances and products to people who have a stoma (ostomates). This helps them live their lives normally without added financial stress. Find out how the scheme works, how to access it and how to get a product on the schedule.

1. ONL has competitive fees, plans with other like Associations
2. ONL charges SAS access membership, membership fee, postage, handling fees. No other charges.
3. ONL within Covid safe plan, hopes to soon to start “click to boot’ pick up and events in 2022
4. ONL competitive with other Associations
5. ONL open business days for questions, ordering, claiming, and dispatch
6. ONL closes off the last business day before end of month. ONL has inventory, Online orders, email, and payments available 24/7

ONL a 6-Star Rating

“ONL is one of the highest rated ostomy Associations. We acknowledge out of 3,200 monthly dispatches about 1% pa error rate. Even with the necessary ONL relocation from May 2020 ONL members felt little to no supply disruption.”

Financial Report

Financial Report

Statement of Profit or Loss – Past three years

<u>Ostomy NSW Limited</u>			
<u>Accounts</u>	2019	2020	2021
Income from Operations			
Sales			\$61,151
Membership Fees	\$292,743	\$378,547	\$387,503
Medicare PBS Payments	\$12,885,047	\$13,028,317	\$12,322,989
Medicare Commission Paid	\$354,545	\$358,298	\$338,891
Total Membership Income	\$14,015,345	\$14,293,588	\$13,563,764
Total Non Membership Income	\$97,866	\$64,865	\$104,541
Total Income	\$14,115,271	\$14,358,452	\$13,668,305
Total Cost Of Sales	\$12,856,909	\$13,028,952	\$12,451,406
Gross Profit	\$1,204,081	\$1,329,500	\$1,216,898
Total Operational Expenses	\$487,353	\$509,121	\$563,508
Total Administrative Expenses	\$76,555	\$93,452	\$62,815
Total Employment Expenses	\$733,891	\$758,551	\$718,270
Total Expenses	\$1,297,800	\$1,361,123	\$1,344,593
Operating Profit	-\$39,438	-\$31,624	-\$127,695
Total Other Income	\$12,912	\$77,615	\$333,071
Total Other Expenses		-\$46,641	-\$120,000
Net Profit / (Loss)	-\$26,526	-\$649	\$325,403

Financial Report

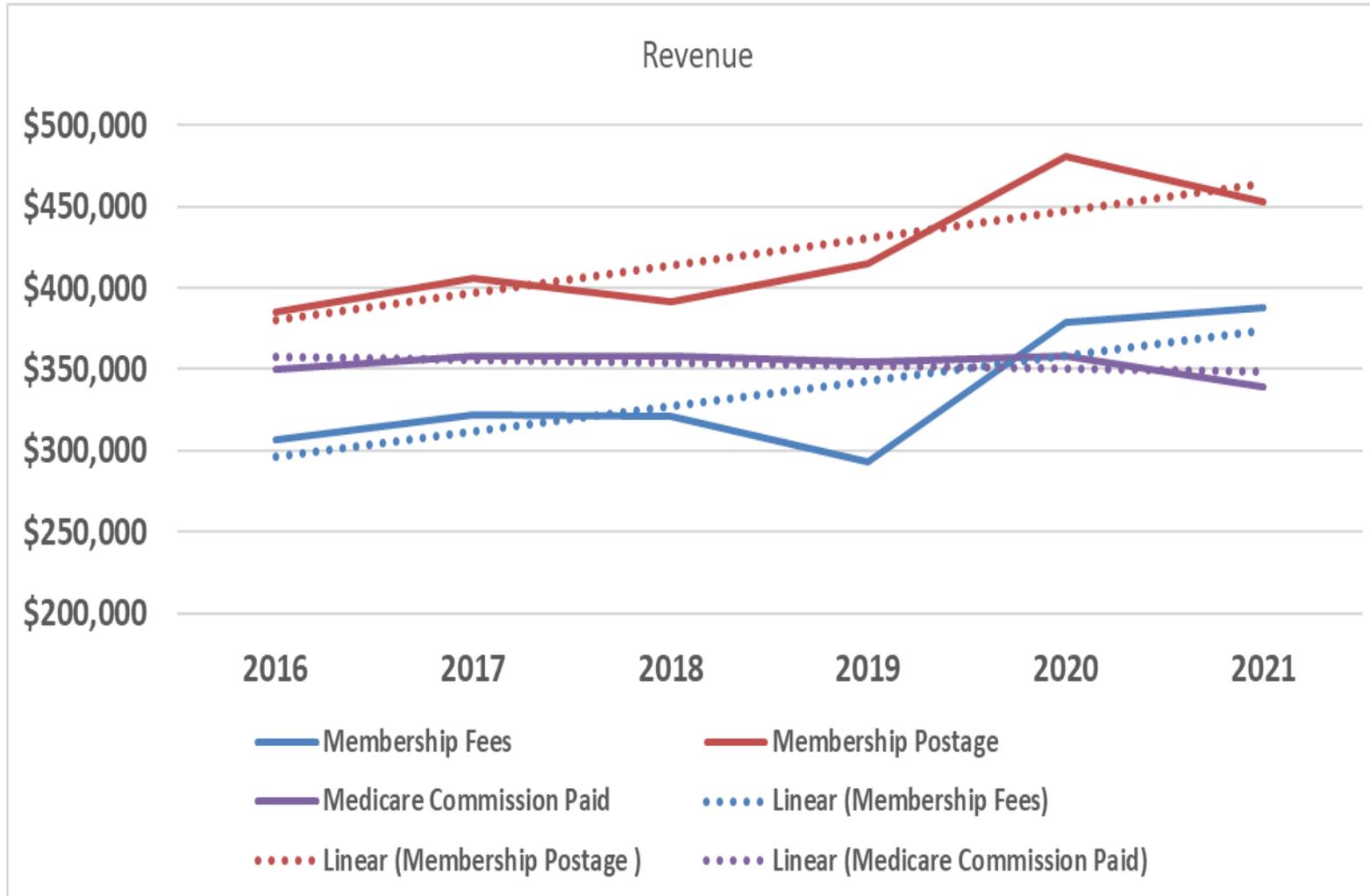
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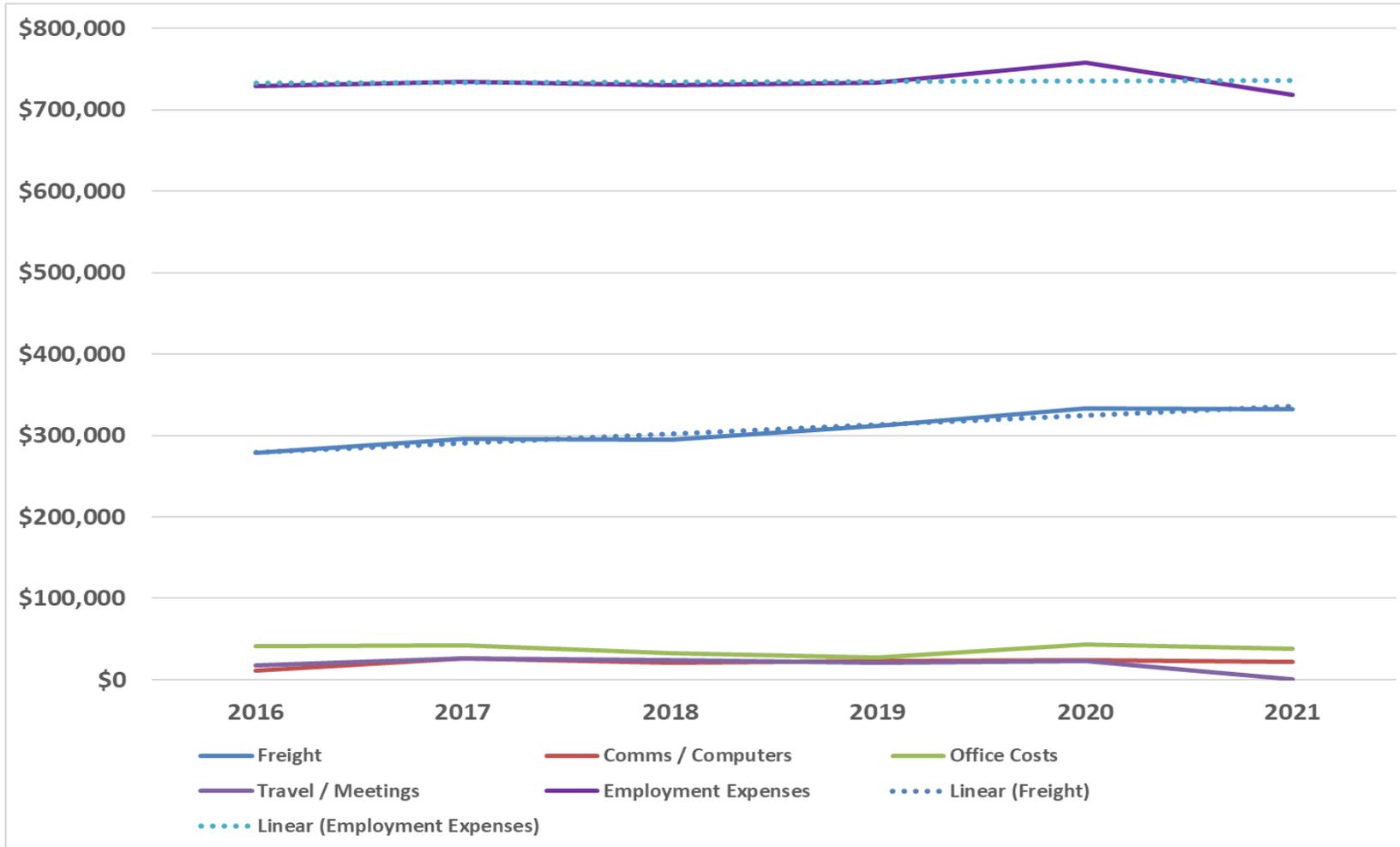
Revenue 6 year trend



Members are paying more for the service.
(red and blue lines)
Medicare rebate is trending slightly down.
(purple line)

Financial Report

Expense 6 year trend



Staff salaries are flat over the period; the peak being JobKeeper top-ups. (purple line)

Freight is increasing (postage and cartons). (blue line)

Other costs are flat and relatively insignificant.

Financial Report

Key Comments

- We celebrate making a surplus for this year
- It has been assisted by insurance payments and Covid government support
- Underlying revenue is declining and expenses static or growing
- Long term financial position is static – as explained in the following 6-year analysis

Financial Report

Statement of Financial Position

Assets	2021	2020	
<u>Current Assets</u>			
Cash and Equivalents	\$2,179,006	\$1,926,581	<i>Insurance and Cash Flow Boost.</i>
Trade and Other Receivables	\$546,487	\$587,954	
Inventories	\$182,807	\$87,974	<i>Increased accessories for COVID.</i>
Other Assets	\$40,012	\$23,167	
Total Current Assets	\$2,948,312	\$2,625,676	
Other Assets	\$450	\$450	
Property, Plant and Equipment	\$1,235,361	\$1,217,407	<i>Building at cost.</i>
Total Non Current Assets	\$1,235,811	\$1,217,857	
Total Assets	\$4,184,123	\$3,843,533	
Liabilities			
<u>Current Liabilities</u>			
Trade and Other Payables	\$1,410,012	\$1,369,109	<i>Change to Medicare claims.</i>
Other Liabilities	\$27,040	\$31,733	
Provisions	\$117,769	\$137,503	
Total Current Liabilities	\$1,503,174	\$1,538,345	
Non-Current Liabilities			
Other Liabilities	\$0	\$0	
Provisions	\$53,141	\$54,430	
Total Liabilities	\$1,607,962	\$1,592,775	
Equity			
Retained Earnings	\$2,576,161	\$2,250,758	<i>Increased with 2021 surplus.</i>
Reserves	\$0	\$0	
Total Equity	\$2,576,161	\$2,250,758	

Financial Report

Key Comments

- Net Working Capital is strong at \$1.4m – cash to use to support members
- Buildings valued at depreciated cost – see note that follows
- Retained Earnings have grown with the 2021 surplus

Value of Land & Building at 30 June 21

Key Comments

- Total Land & Buildings - \$1,160,725
- This is reported at “cost” less depreciation – the price we paid for it
- Revaluation is not required for June 2021
- The Strata Plan insurance claim on the whole building has been declined and further action is underway to recover the claim
- A note to accounts:

“3. Directors are engaged with the Strata Plan Committee (SP43344) and other unit owners as to various options for the building and also potential legal action. Decisions rely on a majority vote by strata unit owners. The Strata Plan Committee have obtained property valuations for the damaged building, where if sale realised, ONL entitlement is expected to match or exceed the building asset recorded book value.”

Insurance Update

- ONL contents business insurance have been providing us with these premises and assistance.
- Strata Plan building insurer denied our claim and this is in the hands of a legal team – this is a strata issue, not just ONL.
- Demolition work was completed in December 2020
 - The Strata took an unsecured loan to complete these works
 - The site remains unoccupied by any owners.
- ONL has to pay additional strata levy fees of \$22,500 annually to service our share of the strata loan.

Demystifying our Financials

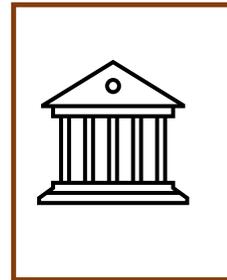
How do we generate income?

- Whilst 100% of the direct costs associated with Stoma Appliances and Accessories is covered by the Federal Government, the day to day running costs to administer and distribute products to Members is the responsibility of Stoma Associations



Department of Health Medicare/PBS

- DoH provide a flat contribution of 2.75% of the cost of product supplied to Members* ¹



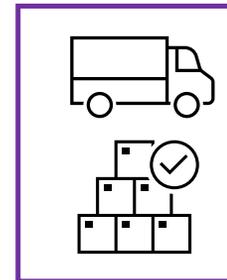
SAS Access Fee

- Annual fee determined by the Department of Health
\$60 or \$50 for concession card holders



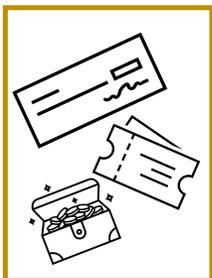
Membership Fee

- Annual ONL Membership Fee
currently \$10



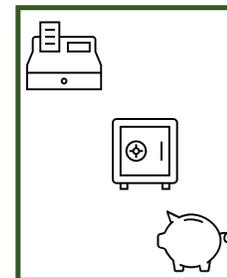
Postage & Handling

- Postage and handling fee
Primarily a pass-through expense



Generous Donations & Fund Raising Actvitiy

- ACSA Membership levy
- Accounting & Bookkeeping



Other

- Advertising revenue (quarterly journal)
- Cash sales
- Bank interest

Demystifying our Financials

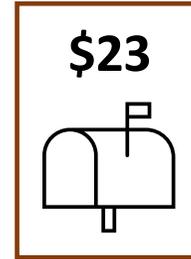
ONL is committed to transparency over how we spend Members funds | for every \$100 we spend...



\$51

Our Awesome Team* 1

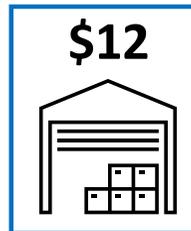
- Salaries & Wages
- Superannuation
- Leave loading



\$23

Postage

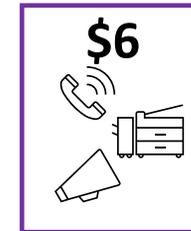
- Australia Post
- Boxes & packaging



\$12

Maintaining our Premises

- Rent
- Water & Electricity
- Council Rates
- Strata Levy
- Security
- Insurance



\$6

Office & Administration

- Office Expenses
- Communication
- Computers & Software



\$5

Ensuring Good Governance

- ACSA Membership levy
- Accounting & Bookkeeping
- Audit
- Legal Fees
- Bank Charges



\$2

Supporting STN Development

- Annual Nurse scholarship
now in its 8th year...



\$1*

Giving Back

- Volunteer thank you lunch
contributing an average of 172 hours a week!
- or
- \$260,000**
of savings annually

Manager's Report

Manager's Report

What have we achieved in 2021?

- 80% of orders received are dispatched in 2 or 3 days.
- 90%+ orders are dispatched in 3 or 4 days.
- Some COVID-19 disruption to orders from our suppliers – difficulty with transport.
- Generally, excellent service from suppliers: 24-48 hour delivery.
- Updated our online ordering for Medicare number and eWay payment gateway for added transaction security.
- Maintained our staff at 15 (13 part-time and 2 casual).
- Kept our same trading hours.
- Lockdown disruption to our staff and volunteers.
- Increased email and mobile phone database.
- Maintained our work practices at Yalgar Road temporary premise.
- All staff and volunteers fully vaccinated for COVID-19.

Manager's Report

How are members ordering and communicating?

	Dec 2020	Oct 2021	
Total Orders	3,613	3,277	
Email	3,506	4,476	
Online	380	733	
Fax	349	215	

Manager's Report

Future Developments in 2022

- Member portal developed by Queensland Stoma – secure access to your personal information and ordering options.
- Opening for “Click To Boot” pick-ups (although the shop is not permitted by Council).
- Finalising our insurance claim.
- Princes Hwy site will be finalised in 2022.
- New Stomal Therapy Nurse Clinic and telehealth consults to serve all our members

Resolutions

Resolutions

1. Receive and adopt the Annual Financial Statements and Reports for the year ended 30th June 2021.
2. Adopt the Remuneration Report in the Annual Financial Statements for the year ended 30th June 2021.
3. Re-election of Mr Adam Keam as a Director.

Proxy votes Received

14 Proxy votes were received – 13 “For” each motion and 1 “Abstain” each motion.

Proxy votes Received

Questions

The order form last year was in the form of an editable pdf on the website. After the Medicare number was added, it went to an internet page which we cannot save from month to month. This is not as easy for us as we have to retype our address, special instructions etc. Can we make the current order form on paper into an editable pdf please?

Response given at the AGM:

ONL will be adopting the member portal developed by Queensland Stoma – secure access to your personal information and ordering options. This is expected to be available during 2022 and will be integrated into our SAMS system. The cost of developing major changes to our online order form will be saved for the development of the portal.

There are two web-based order forms available on the www.ostomynsw.org.au website, available in the **Forms** menu. (<https://www.ostomynsw.org.au/forms18.php>).

Declare AGM closed

THANK YOU

