

# Sustainability: a journey of a 1000 miles begins with a single step or ...

Watch the cents and the dollars will look after  
themselves or .....



A woman with short brown hair is shown in a close-up, shouting into a black mobile phone held to her ear. Her mouth is wide open, and her expression is one of intense anger or frustration. A red speech bubble with a white border is positioned to the right of her face, containing the text "Show me the money!!!". The background is a dark, neutral color, and the overall image is set against a bright orange background with abstract curved lines.

Show me  
the  
money!!!

# The Next 20 Minutes:

- ◆ Where ACE is now
- ◆ How we got here
- ◆ Where we are going



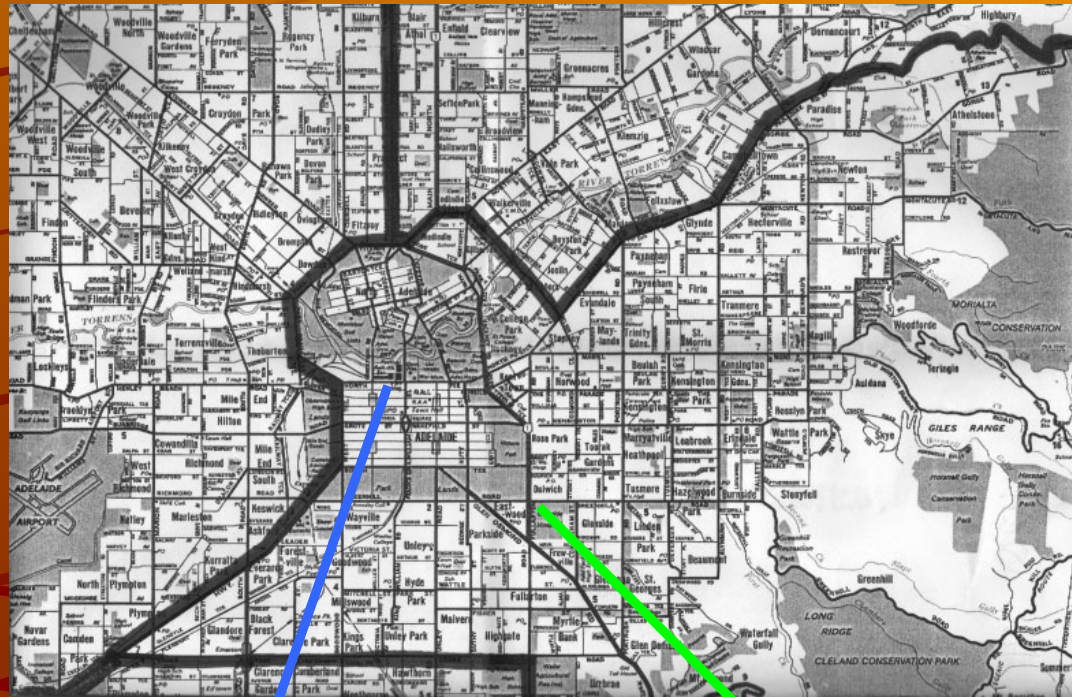
# Some Basic Info .....

Pop.: 200,000

GPs: 370

Practices: 140

(50% solo practices)



You are here

ACE is here

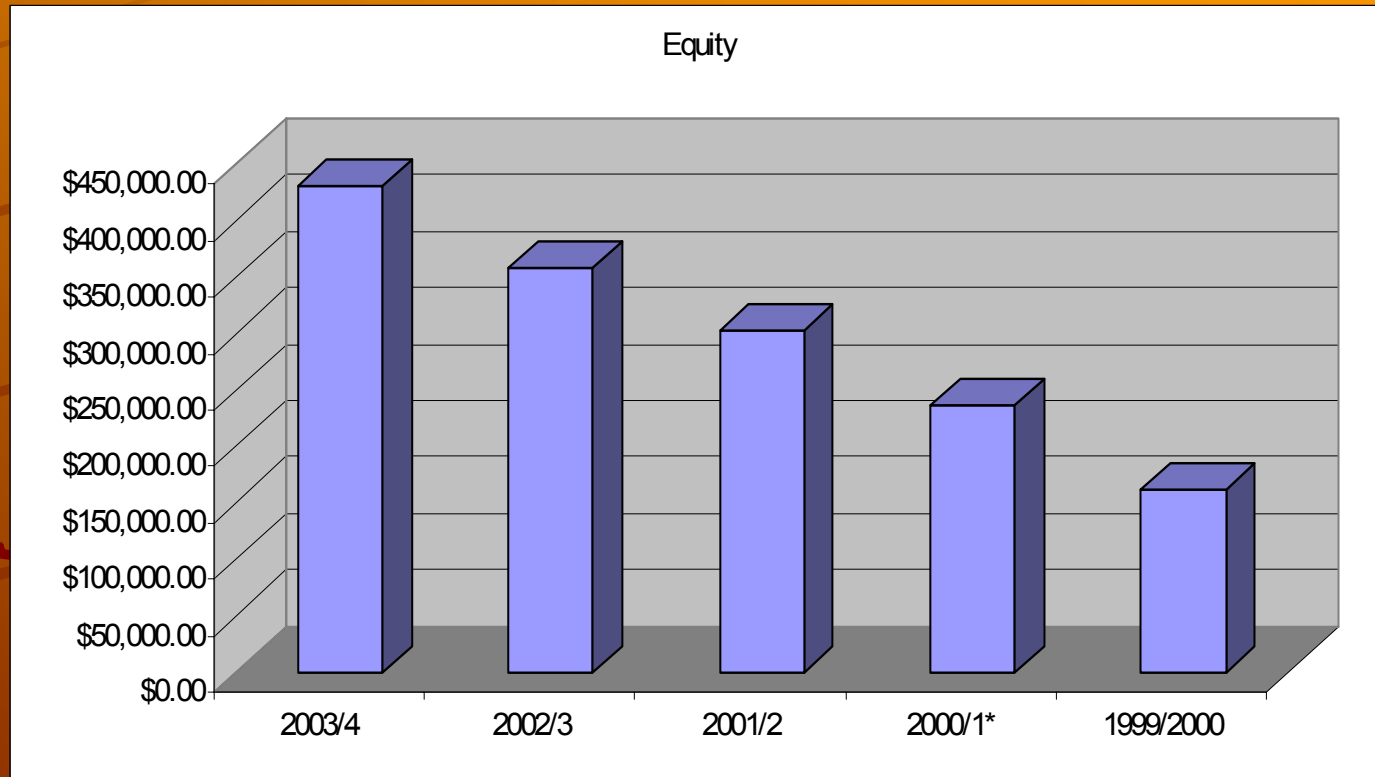


# Where ACE is now .....

- ✦ Estimated turnover for 04/5:\$1.6M
- ✦ Average earnings before interest & tax (EBIT): 4.7%
- ✦ Current equity \$450,000 (cash)
- ✦ 10 year long-term financial plan (2012)
- ✦ Strong commercial emphasis inc. non-GP directors.



# 5 Year Equity Growth

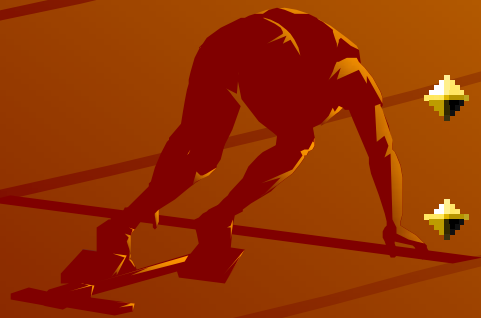


# How we got here ....

- ◆ Running smart and to budget
- ◆ Having a clear, long-term financial plan owned by the Board
- ◆ Having annual, realistic goals (stick to them!)
- ◆ Establish EBAs to control payroll
- ◆ Undertake FPI benchmarking
- ◆ Get professional funds management advice at relevant times

# Where do the \$ come from?

- ◆ OBF underspend
  - only joking!
- ◆ FFS (variable margin)
- ◆ Managed Fund
- ◆ Term Deposits
- ◆ DocShop Services (\$300K)
- ◆ Staff engagement



# Where we are going (key elements of 10 yr. plan)

- ◆ 5% EBIT p.a.
- ◆ Total assets of \$2M
- ◆ \$500K trigger point for property diversification
- ◆ Assets to generate \$200K p.a.



# What we have learnt .....

- ✦ Realise that you are running a business
- ✦ It is the Board's duty to grow it on behalf of its members
- ✦ Accept small incremental steps
- ✦ Have Board buy-in
- ✦ Have staff engagement
- ✦ Strike a balance between investing in the organisation and equity



But most important of all.....  
start!

# Any Questions?

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