



**Victorian  
AIDS Council  
Gay Men's  
Health Centre**  
Annual Report  
2007--08

## Statement of Purpose

Leading our community in the fight against HIV/AIDS and STIs. VAC/GMHC works to confront the continuing challenges of the HIV/AIDS epidemic and, increasingly, the overall health and wellbeing of the GLBT community. Our core work is to:

- strengthen the independence, dignity, health and wellbeing of HIV positive people and the GLBT community;
- reduce the transmission of HIV and STIs;
- enhance health outcomes for people living with HIV/AIDS.

In particular we are invested in bringing the AIDS epidemic to an end.

## President's Report

Kevin Guiney



Welcome to the Annual Report of the Victorian AIDS Council/Gay Men's Health Centre. The past 12 months have seen significant changes to our organisation. We have completed and are implementing our three year strategy, *Strategic Directions 2008-11*, which will inform how we progress our work.

While there has been a significant increase in the number of HIV infections over the last 8 years, funding constraints have meant we have not had sufficient funds to get our health promotion messages out as far as we would like. Fortunately, this has changed with the recognition of under-investment by the Department of Human Services, our major funding body. An increase in project funding has enabled us to develop some innovative campaigns reaching a much broader audience which, until recently, we were unable to do.

No doubt many of you would have seen the Drama Downunder campaign. The work of the Health Promotion Team has been cutting edge in its many facets. We have been saying for many years now there is no magic bullet for health promotion—it has to be multi-faceted and multi-targeted and this campaign is indicative of this.

The political landscape has changed with a new State Health Minister, the Honourable Daniel Andrews MP, who is very engaged with the sector, and a new Federal Government which is bringing a new perspective to community health on a national scale. As we are preparing this annual report the outcomes of the changes to funding the health system are still being finalised.

We have been very lucky to have a number of organisations engaged with us in our work and involved in fundraising. These include a number of the gay venues and groups around Melbourne. Worthy of special mention are MAC Cosmetics, Oz Showbiz Cares/Equity Fights AIDS, Metlink, Mercedes-Benz, NAG! and The Laird Hotel. Without the support of these people, organisations and others our fundraising would not be nearly as successful. We sincerely thank them for their efforts.

Twelve months ago we thought we were in the final stages of the review of the Positive Living Centre and that it would be complete when the Statewide Integrated Service Model report for Victorian HIV services was delivered. The aim is to ensure services delivered at the PLC align with the Integrated Service Model. This Statewide Integrated Service Model report and its recommendations are yet to be released by the Department of Human Services.

It has been great to see the community engagement around our activities over the last 12 months. It will be a long time before we can better the visit of gay porn star, Francesco D'Macho, for our Protection health promotion campaign. Thanks to Hot House Video and Francesco for their great work.

Finally, I would like to thank the Board, management team and staff for their great contribution over the last year. For a number of years we have had to watch our pennies and count our paper clips to make sure the organisation remained financially viable and the commitment by all staff has been outstanding.

To all our volunteers—thank you, we couldn't have done it without you. Whether it was making or selling red ribbons, washing dishes, driving a client to their medical appointment, facilitating peer support groups, providing counselling to clients or staffing our reception desk, you make our organisation one of which we can be proud.

I would especially like to thank Mike Kennedy for his tireless work. He is a great inspiration to me and a lot of other people in the sector. Great work, Mike.

Finally, I commend this Annual Report to you and trust you will enjoy reading about the breadth and depth of the work of our organisation.



## Executive Director's Report

Mike Kennedy

While this has been another very busy year for VAC/GMHC, I suspect that in 2018 when we are looking backwards, 2007-08 will be seen as the year of major infrastructure changes in the Victorian and Australian responses to the HIV epidemic. It is too early to tell whether the winds of change that were blowing through this year's International AIDS Conference in Mexico City will lead to similarly significant changes internationally, but there are some grounds for being optimistic in that arena too.

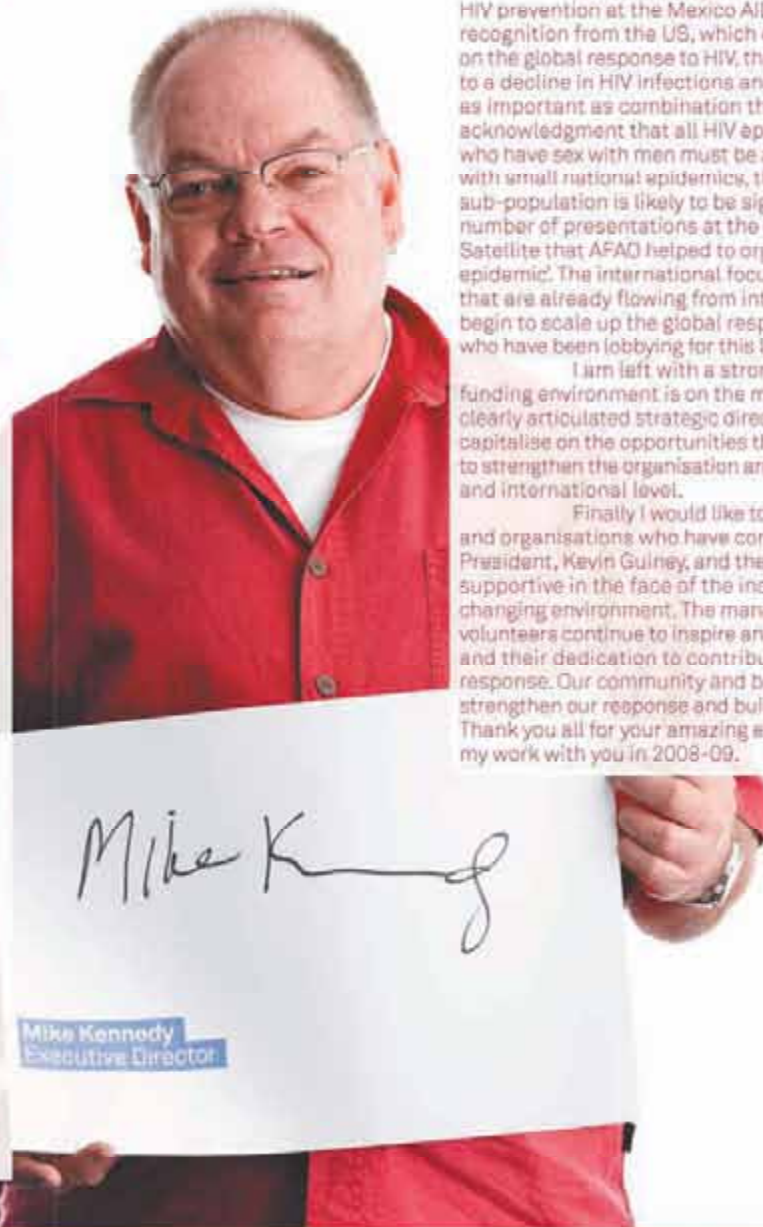
At the national level, the Rudd Government has embarked on the most significant restructuring of Commonwealth/State financial relationships since the Second World War. These changes will impact on how Commonwealth funds flow to the States and Territories to fund community based HIV/AIDS services like VAC/GMHC. The Board section of this year's Annual Report contains more detail of these changes and how VAC/GMHC has been engaging with them.

In Victoria, there have also been substantial infrastructure changes. The 2008 State Budget included \$16.6 million funding over four years to reduce rates of HIV transmission and prevent other communicable diseases. This funding is a result of the sector working collaboratively with the State Government and acknowledging that it will take a coordinated effort over several years. This will enable the Victorian HIV sector to move from a project-based response to the programmatic response that evidence from other jurisdictions tells us is required to achieve sustained decreases.

Overall new HIV diagnoses declined slightly in Victoria during 2007, with 263 cases in 2006 and 256 cases in 2007. However, there was a larger decline in new diagnoses in gay men with an 8% drop from 202 to 186 cases. This was a pleasing response, particularly given the increased project funding that enabled VAC to substantially increase its HIV and STI prevention work last year. In line with recommendations from the Department of Human Services (DHS) HIV Taskforce and the *Something borrowed, something new: Addressing increased rates of HIV and STI transmission among gay men in Victoria Action Plan 2008-10*, VAC developed and implemented a campaign to reduce unprotected anal intercourse with casual partners; undertook a scaled-up rollout of Drama Downunder, the HIV and STI testing campaign we had developed for AFAO; and relaunched Staying Negative with a redesigned set of press ads and a new campaign website.

The additional recurrent funding VAC has received from the funds allocated in the 2008 State Budget for HIV prevention will enable us to move from project to program funding and allow for better forward planning for this area of our work.

DHS is finalising its response to the review of HIV care and support services which made a number of important recommendations to improve the framework for integrated service planning and delivery in Victoria. These recommendations and the recommendations from an external review of the Positive Living Centre will help to reframe and refocus VAC/GMHC's care and support services during 2008-09.



Internationally, there was a much stronger focus on HIV prevention at the Mexico AIDS Conference including a belated recognition from the US, which exerts a disproportionate influence on the global response to HIV, that no single approach is likely to lead to a decline in HIV infections and that combination prevention is as important as combination therapy. There is now also specific acknowledgment that all HIV epidemics in gay men and other men who have sex with men must be addressed because, even in countries with small national epidemics, the scale of their epidemic in this sub-population is likely to be significant in public health terms. A number of presentations at the conference, and the pre-conference Satellite that AFAO helped to organise, referred to this as a 'hidden epidemic'. The international focus from the conference, and the funds that are already flowing from international funders and donors to begin to scale up the global response, is a sign of hope for those of us who have been lobbying for this level of action for more than a decade.

I am left with a strong sense that much of our policy and funding environment is on the move. We are in a good position with a clearly articulated strategic direction and an improved funding base to capitalise on the opportunities that the next year or two will present to strengthen the organisation and our contribution at a local, national and international level.

Finally I would like to thank the broad range of people and organisations who have contributed to our work this year. The President, Kevin Guiney, and the Board have remained engaged and supportive in the face of the increasing challenges and a rapidly changing environment. The management team, the staff and the volunteers continue to inspire and motivate me with their commitment and their dedication to contributing to a robust community-based response. Our community and business partners continue to strengthen our response and build bridges outside the HIV/AIDS sector. Thank you all for your amazing efforts and I look forward to continuing my work with you in 2008-09.



## Board Report

### Board Work Plan

As in previous years, the Board met for a day early in the Board year to plan its work program. Monitoring the progress of this work plan becomes a standing agenda item for Board meetings for the remainder of the year. A Board Briefing Paper accompanies all substantive matters that go to the Board for consideration and the Board considered thirty-two such papers this year, its busiest year for some time.

As in previous years, the Board established a range of committees to assist in its work. This process enables the committees to work through a level of detail that would be impossible at a Board meeting and has the added benefit of enabling the Board to draw on a wider pool of expertise to progress its work. The committees this year were the Finance Committee, the Strategic Directions Committee, the Research Promotion and Ethics Committee, the Political Organising Committee, and the Fundraising and Marketing Committee.

The Board extends its thanks to all of the external members who assisted its work by participating as committee members this year.

### Financial Reports

At the time of writing this report, we were still waiting for our audit to be finalised. However, we will have delivered a surplus again this year, mostly from periods where staff positions were unfilled while recruitment was underway, from improved fundraising outcomes, and from a review of our banking arrangements to maximise interest income. The amalgamation with the In Home Support Program (IHSP) during this year also boosted our surplus as their accumulated funds transferred into our accounts. The Memorandum of Understanding that underpinned this amalgamation made provision for how some of these funds might be expended on ongoing IHSP projects.

The Board would especially like to acknowledge the ongoing generosity of three of our corporate partners. Oz Showbiz Cares/Equity Fights AIDS has been a major contributor to our fundraising this year, particularly through their coordination of bucket collections in theatre foyers. MAC Cosmetics, through their proceeds from the sale of VIVA GLAM lipstick and lipglass, is the major donor to the David Williams Fund. The Board would also like to acknowledge the ongoing generosity of Mercedes-Benz (DaimlerChrysler Australia/Pacific Pty Ltd) who have continued their donation of a Mercedes-Benz Viano for the Positive Living Centre. This vehicle has also been available for use by other HIV sector organisations.

### Strategic Planning

During the year the Board endorsed new Strategic Directions for VAC/GMHC through to 2011 and are currently working on reviewing and revising program plans within this framework. The implementation plan for the outcomes of the PLC review is being finalised in the light of the DHS response to its review of HIV care and support services, which made a number of important recommendations to improve the framework for integrated service planning and delivery in Victoria.

### Health Infrastructure Reform

During this year the Board, with the assistance of AFAO, has been monitoring proposed changes to the way in which health services are funded in Australia. In January 2008, the Rudd Government announced its intention to substantially reduce the number of Specific Purpose Payments to the States and Territories by rolling existing payments into fewer, but much larger, Commonwealth/State agreements. Previously, funding for HIV services delivered by AIDS Councils like VAC/GMHC had come through the Public Health Outcomes Funding Agreement, which will be abolished and rolled into a new Australian Health Care Agreement (which until now has been how the Commonwealth provided funds to the States for public hospitals).

The new Agreement is due to be signed in December 2008 and will most likely include a broader range of health services than the former AHCA. Other health reform processes with which AFAO and its members have been engaged, such as the National Health and Hospitals Reform Commission and the National Preventative Health Taskforce, are expected to feed into the new Agreement. We have also been part of a national lobbying effort to have HIV included in the proposed National Partnership Program to secure a national funding stream for an enhanced focus on HIV and STI prevention. This is required given increases in HIV diagnoses in most parts of Australia in recent years.

### Victorian Legislative and Policy Frameworks

In July 2008 the Victorian Parliament passed the Public Health and Wellbeing Bill which, when proclaimed between now and 1 January 2010, will replace the Health Act 1958. DHS has also issued revised Guidelines for the management of people living with HIV who put others at risk. While some aspects of the new Act and Guidelines are welcome, the Board continues to have concerns about the balance between protecting public health and individual rights in this legislative and policy framework. We will continue to advocate for this balance to be improved while several sets of Regulations are being drafted for the new Act, and in the ongoing discussions about the Guidelines in the wake of a number of HIV transmission legal cases that are due to be finalised before the end of this year.



### The 2007-08 Board was

Kevin Gailley / President

Mike Kennedy / Executive Director

Grant Davies / Vice President Secretary

Mark McGill / Treasurer

Sonny Williams / FLWAH Victoria Representative

Laura Hodgson / Board Member

Jason Asselin / Staff Representative

Bill Gidler / Board Member

Val Sande / Board Member

Guy Halsey / Board Member (alternate)



## Counselling Services Program

Nicci Rossel



Over the year the Counselling Services Program has continued, via its experienced and committed staff, volunteers, interns and students to provide high quality services to the HIV and queer communities.

A focus over the past 12 months has been to increase the number of paid and volunteer staff to provide couples therapy to the HIV affected and GLBT communities. This has been an exciting achievement as the service has a long standing commitment to supporting and enhancing queer relationships, particularly when working with serodiscordant couples or when HIV is perceived to be the greatest source of tension within the relationship. Through our couples work we have found many individuals and couples who have accessed our service thinking that HIV was the major issue within their relationship. However on further exploration with the individual or together as a couple it has not always been found to be the case. For the Counselling Program it has been a message we have endeavoured to convey; that we all face challenges within relationships and that at times other issues become 'the focus' or 'the problem' and it can be difficult to see what the real issue is.

While providing a specialised couples counselling service we have also been able to maintain an individual counselling service and at the same time strengthen the therapeutic groups program. By doing this the Counselling Services Program is continuing its tradition of developing a range of services to address the continuing challenges of the HIV/AIDS epidemic and the needs of the GLBT community.

Further development of Counselling Services has included a one off grant from the Department of Human Services to train two new facilitators for the Revisioning group—which is a Men's Behaviour Change Program for gay and bisexual men who are challenging themselves to break patterns of violence, abuse and controlling behaviours in their relationships and lives. We currently have one paid staff member and one volunteer undertaking this training both of whom will be facilitating the Revisioning groups in the future. Another exciting project has been working with Positive Women on creating a therapeutic group tailored to their target audience. This therapeutic group will run for 8 weeks and will be co-facilitated by a staff member from the Counselling Services Program.

At a broader level, the Counselling Services Program has continued to offer training to the community sector to build the capacity of generalist and community based services to be more aware of and sensitive to HIV and GLBT issues. We have continued to work closely with the Men's Referral Service and the Australian Association of Relationship Counsellors, both nationally and with the State branch.

To do the work of the Counselling Services Program we have a team of 40 people: three paid staff, 18 volunteer counsellors, eight interns, eight supervisors and three students on placement. Ongoing training, supervision and professional development is offered to all of our counsellors to ensure the best services are provided to clients.

## Health Promotion Program

Colin Batrouney



In addition to the ongoing core activities of peer education, outreach, volunteer recruitment and training and community participation, this year we have implemented two innovative health promotion campaigns. The Drama Downunder and the Protection campaigns have both been recognised nationally and internationally. Each of these campaigns has marked a significant progression for the Health Promotion Program in its approach to HIV prevention.

The Drama Downunder campaign was developed for the Australian Federation of AIDS Organisations by the Health Promotion team for implementation across the country. The focus of the campaign was generalised sexual health and testing and it was successfully implemented in every State and Territory (with the exception of New South Wales) in Australia in 2007-08. It employed a lighthearted approach to the issue of sexual health and depicted one of the Program's most popular volunteers, Frank Bonicci, in all campaign materials. The campaign has been one of our most visible, being implemented in the mainstream with posters and billboards at train stations, bus shelters and tram stops across metropolitan Melbourne. This implementation was duplicated across the country with the Program generating over 200 separate campaign artwork items in response to requests from State and Territory AIDS Councils.

By contrast, the Protection campaign was highly targeted in its implementation and specific in its aim of reinforcing condom use for men who have casual anal sex with other men. To achieve this aim we decided to work within the realm of fantasy and desire. We were able to create this campaign successfully principally as a result of the generosity of an American producer of safe sex gay porn, Hot House Entertainment. Hot House were proud to be partners in this prevention effort, offering us thousands of dollars of in-kind support by essentially making everything they produce available to us free of charge. They also put us in contact with one of the stars of their movies, Francesco D'Mecheo. Francesco came to Australia to launch the campaign and generously supported our prevention efforts over Midsumma 2008. The campaign and the work of the Program have received international recognition and Protection was cited by many at the 2008 XVII International AIDS Conference in Mexico as one of the most daring and innovative prevention campaigns produced anywhere in the world.

This year we have also been able to update and relaunch the Staying Negative campaign. After 25 years of safe sex messaging, we asked gay men to share their stories on how they have managed to stay HIV negative over the course of the epidemic. The relaunch has meant taking a far more personalised approach to the social marketing aspects of the campaign which has allowed us to extract 'snapshots' from each personal narrative and publish them as full page advertisements linked to the redesigned website. The narratives include stories of love, sex, families, religion, loneliness, friendship, and a whole lot more! We will be drawing on these rich narratives in future prevention work.

The coming year will see an enhancement of our health promotion efforts. We will not only be developing and implementing follow-up campaign work but we will also be extending our peer education work via rural activities and the piloting of a therapeutic groups program that will focus on issues ranging from sleeping disorders to body image. It is hoped that by shifting our focus, from one that is centered on disease and sex to the broader social context of our target communities, our work will continue to have meaning and relevance.



## HIV Services Program

John Hall

2007-08 has been a significant year for the HIV Services Program and the HIV sector generally. There have been two reviews of HIV services conducted both at an organisational and State level, undertaken by VAC/GMHC and the Department of Human Services. Also, during this period the HIV Services Program has been enhanced by the integration of the In Home Support Program. IHSP was previously auspiced by VAC/GMHC and housed at the PLC.

At an organisational level the review of the Positive Living Centre was undertaken by Tim Childs Consulting. Tim has a background in the Community and HIV sectors and was commissioned by the VAC/GMHC Board to undertake a review of the Positive Living Centre services—examining how we currently meet the needs of the community and what service changes we can make to address new and emerging issues. This review process involved all the major stakeholders including PLC members, volunteers and staff, other community based organisations, as well as clinical and allied health services. The service models of other national and international HIV community organisations were assessed to review how they adapted their services to meet ongoing challenges and changing needs.

At a State level, the Department of Human Services commissioned a project to examine a Statewide Integrated Service Model for all HIV services. This was undertaken by Anne Porcino and Tim Leach, both of whom are well known in the not-for-profit sector. This was a comprehensive review which took eighteen months and involved most HIV/AIDS community based organisations, government, service providers, social research bodies and clients. The premise was to examine the needs of an HIV positive person by tracking a continuum of service requirements, access and availability. This was done to determine the key intervention points, clinical and community support structures and service provision needs. We believe these reviews have provided a unique opportunity to identify priorities in the sector, the strategies necessary to support them and the structures needed to remain relevant in a changing environment.

### Positive Living Centre (PLC)

- Membership increased from 1105 in 2006-07 to 1217 in 2007-08
  - More than 13,000 meals provided
  - More than 1700 pantry visits
  - More than 1000 complementary therapies appointments (excludes Vitamart)
  - More than 60 members participated in peer support groups
  - 2 Peer Support facilitator training programs conducted which include members of Positive Women and Straight Arrows
  - 67 trained volunteers support the PLC operations, services & activities
- The past year has seen a steady increase in PLC membership—averaging at least two new members every week. During the year there was an evaluation of the Pantry service which, in response to PLC member feedback, has seen an increase in the diversity of fresh fruit and vegetables, dairy products as well as the dietary staples. Lunches and dinners continue to evolve with an emphasis on good nutrition. Our complementary therapies program continues to offer clients a range of well attended services from yoga and massage to naturopathy and



vitamart. Our partnership with the School of Southern Therapies underpins the provision of acupuncture and ensures that clients have increased options in pain management and side effects from other medications. Peer Support has worked collaboratively with Positive Women and Straight Arrows in specific peer based training programs as well as with PLWHA (Vic) via Genesis. Outings and activities remain popular and we are endeavoring to develop improved linkages with other services. PLC staff and members have visited Country Awareness Network (CAN) with reciprocal visits arranged. Given the degree of service provision complexity at the PLC, our challenge in the coming year is to develop a better intake system to most appropriately respond to a diverse range of needs that exist in the community. Collaborative partnerships with other agencies remain the key to our success.

### Community Support Program (CSP)

- 70 clients supported by 75 trained volunteers and 3 staff
- More than 400 medical transports
- Estimated \$225,000 worth of tickets distributed to clients for social/sporting and cultural events via PK Tix a service that is now coordinated by volunteers
- New volunteer training modules focusing on mental health and boundaries
- Most clients seeking support to reduce social isolation and reconnect with the community
- Six local volunteer teams around Melbourne provide social support and practical assistance for clients in their local area

The Community Support Program has been focusing on what it does best, utilising the time, skills and commitment of trained volunteers to successfully fulfill CSP service delivery requirements. The vast majority of CSP clients continue to be referred because of social isolation and many access practical assistance and transport to medical appointments. Volunteer training has been fine-tuned so the support offered by the program directly relates to the health care needs of clients, offering a professional and consistent standard of care. Such an approach provides stability for many clients and has reportedly contributed to improved emotional wellbeing. This has immeasurable benefits, as clients who are engaged with both community and clinical services, and who feel empowered, are more able to participate fully in life. Client group social activities have proven to be most successful and it is clearly evident that CSP volunteers are an important link between the organisation and the broader community.



## HIV Services Program continued

### **In Home Support Program (IHSP)**

- IHSP integrated as part of HIV Services Program in December 2007
- 7 clients case managed in IHSP properties
- 18 outreach clients supported in their own homes
- 5 additional residential properties secured allowing an expansion of the service
- 5131 hours of paid attendant care provided
- 1298 transports provided

In December 2007, the In Home Support Program was formally integrated to become a part of the VAC/GMHC HIV Services Program. Whilst it has served the community well as a stand alone service for 11 years, the synergies and collaborative relationship IHSP has had with HIV Services has made this the most logical step for both organisations. Acknowledgement must be given to the previous community based Committee of Management and we recognise their commitment over the years in delivering this unique program of excellence. This partnership of care included the Alfred Hospital Allied Health team, Royal Melbourne Hospital, the Royal District Nursing Service as well as VAC/GMHC representatives. Over the last year IHSP has worked with 25 clients and has secured five additional properties, which will enhance the service with residential supported housing across the North/South divide. Given that it will be a cluster of properties, it provides us with an opportunity to trial a different residential model which we hope will foster a greater sense of community.

### **David Williams Fund (DWF)**

- More than \$165,000 of assistance requested
- More than \$122,000 dispersed in response to applications
- Highest requests: 940 food vouchers, 73 medical needs, 34 bedding, 26 washing machines, 25 rent assistance
- 18 financial counselling workshops conducted

Twenty five years ago, the David Williams Fund was established to assist people to die with dignity and to provide emergency financial relief. DWF still provides financial assistance but, in light of the broader social determinants influencing a person's experience of living with HIV, is now expanding its service scope. During the year DWF enhanced its services to be more holistic, to provide a financial counselling service and a study assistance scheme. Our financial counselling service aims to tackle financial issues before they become significant problems for clients by looking at the causes of financial distress. Thanks to the Consumer Credit Fund we were able to pilot a Financial Counselling program whereby workshops have been developed to inform clients on a range of financial matters. As a result group workshops, one on one support, and an information outreach service to other community organisations are now being offered. CAN, Positive Women and the FDNS have been involved in these well attended sessions. Further, we have begun to introduce a scheme to assist clients who, due to financial constraints, would be unable to return to study. Our hope is that such assistance will enhance confidence, skills, sense of achievement and qualifications and lead to greater independence. For many people qualifications can mean enhanced job opportunities and therefore less reliance on emergency relief.

10/11

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## **The Centre Clinics**

### Dr Louise Owen



The Centre Clinics are recognised as being centres of excellence for HIV/AIDS clinical management. We have been making minor improvements in a number of areas to improve efficiencies and general delivery of services and to continue to have a constant stream of new patients. This year the Centre Clinics saw over 350 new patients.

The team at the Centre Clinics is committed to the provision of holistic health care to our patients. Dr Matt Penn has been working with us for the past eight months and has been very busy. We also welcome back Dr David Spencer who is working with us when he can. We welcome Andrew Timmins to the reception team at the clinic, Andrew has settled in very quickly and is a great addition to our team. Of course we also acknowledge our longer term dedicated staff.

The Centre Clinic is keen to be involved in ongoing research and clinical trials where appropriate. Although we have many requests to be involved in studies it is not practical to partake in all of them, nor appropriate in some situations. During the year the 'Snook It and See' HIV prevalence survey was conducted, with a researcher recruiting participants at the St Kilda Clinic. The study was conducted professionally and did not disrupt the day-to-day running of the Clinic. The Clinic and its patients have received praise and thanks from the organisers at the Burnet Institute and we await the results of the study.

During 2007-08 a pilot study began which has seen Melbourne Sexual Health Centre Nurses conduct weekly MSM STI screening at our St Kilda Clinic. This was available to our patients and the general MSM public. It is great to have the sexual health nurses come to the clinic and we believe it is a service that will improve the health and wellbeing of the communities we serve.

The Clinic underwent re-accreditation to maintain its status as a training centre for doctors interested in advanced Sexual Health training. There was an extensive documentation phase followed by a clinic visit and interview process. This re-accreditation process enables us to be at the forefront of training new specialists to work in this field of medicine.

New Antiretroviral (ARV) treatments are becoming available quite regularly and these increase the options for our patients. Some ARVs are only available on special access schemes, whilst others are available now. Often with improvements in medication options and dosing regimens comes a reduction in side-effects and adherence issues, however there are potential short and long term complications of ARVs and this is an issue that affects many people. All medical staff at the Centre Clinics attend regular updates and scientific meetings to ensure they are aware of the latest national and international guidelines.

The mental health and wellbeing of our patients is always a priority. In addition to the new Medicare Benefits Scheme (MBS) item numbers which were introduced some time ago, doctors have clearer and cheaper referral pathways for patients that require psychological counselling through the Divisions of General Practice. This scheme has given many people the opportunity to access up to 12 individual counselling sessions with an accredited psychologist.

The Centre Clinics continue to deliver excellent health care for the people we serve, aiming to review and improve our services for the best outcome for our patients.



## Strategic Development & Allied Services Program

Fiona Tunley

2007-08 has been a successful year for the SDAS Program. Fundraising has increased significantly, thanks to the generous support of people in the community. Worthy of a special mention is our strong relationship with Oz Showbiz Cares/Equity Fights AIDS whose bucket collections at musicals raised \$44,000, ensuring our fundraising income was considerably higher than expected. Our finance department has managed our funds wisely and maximised our revenue from bank interest. The IT program has continued its support across the organisation by providing timely hardware and software upgrades and supporting the integration of these through appropriate training and ongoing user support. Volunteerism across the organisation has never been better with cohesive volunteer management and support structures in place. Administration systems function reliably and provide robust support and infrastructure across the organisation.

This year the organisation's Strategic Directions 2008-11 document was completed, setting the direction for VAC/GMHC's future, building on past achievements and recognising current and emerging challenges. During the year VAC/GMHC became a founding member of the National LGBT Health Alliance, a formal group of eight organisations across Australia who work in GLBT health and HIV/AIDS, including VAC/GMHC, ACON, ACSA, QAHC, WAAC, AACACT, NTAHC and Gay & Lesbian Health Victoria. There has been a reinvigoration of our commitment to providing a healthy and safe workplace for staff, clients, members and visitors to VAC/GMHC sites. Subsequently there has been an OH&S audit of the Positive Living Centre site and an extensive review of OH&S policy and safety audits ensuring continued whole-of-organisation compliance with the Occupational Health and Safety Act 2004.

### Finance & Human Resources

Finance and Human Resources have continued to ensure that VAC/GMHC is compliant with all relevant legislation. Strict management of cash flow and budgets has ensured the ongoing viability of VAC/GMHC. 2007-08 saw the integration of the IHSP into the VAC/GMHC structure. IHSP became a separate sub-program within the HIV Services Program of VAC/GMHC. The integration of IHSP was audited by Andrew Wehrens from Clements Dunne & Bell Pty Ltd, ensuring the transaction was accounted for and disclosed in the annual financial statements of the Victorian AIDS Council Inc.

### Information Technology

During the year new PABX digital telephone systems were installed at both Claremont Street and PLC sites, replacing old and difficult to use systems. At Claremont Street the telephone service infrastructure was also upgraded to digital ISDN. The new systems introduced new features enabling more efficient call handling including voice mail for all staff. Thanks largely to a donation from Microsoft Australia through the Donor Tech program, all VAC/GMHC's computer workstations were upgraded by installing Office 2007 and all staff were provided with off-site training on the new system.



### Fundraising

During the year VAC/GMHC self generated funding strategies, namely appeals, third party fundraising, corporate sponsorship, events, bequests and merchandise sales, were evaluated to ensure high quality customer service was provided to our supporters and fundraising efforts achieved lucrative results. This required an appraisal of how fundraising data, income and support was submitted and stored and a critique of how we measure success! The information gleaned from this process has been pivotal in making fundraising easier and more effective, ensuring initiatives are targeted to the right people and making sure our supporters are acknowledged properly and, where possible, publicly. Subsequently, we have formalised a recognition and award program for people, businesses and organisations that raise significant funds for us. From this has come the annual 'Fabulous Five Fundraisers' awards where key supporters receive an award and public thanks from the organisation. The 2007-08 Fabulous Five award recipients were Sonic Dolphin, Oz Showbiz Cares/Equity Fights AIDS, Paul Evans, The Laird Hotel, and the ANZ Banking Group.

### Volunteerism

This year the commitment of staff who work with volunteers was recognised with VAC/GMHC's first ever celebration of International Volunteer Manager Appreciation Day. More than 20 of our paid staff work with volunteers and it is this collective effort that shapes our volunteer program. We have improved support systems for staff including a 'Working with Volunteers' training day to educate staff on 'best practice' strategies for working with volunteers, monthly update emails from the volunteer program, information on various aspects of volunteer management, specific VAC/GMHC volunteer processes and procedures, and upcoming volunteer-related events.

2007-08 has seen increased engagement with corporate volunteer programs. We have established a good relationship with the National Australia Bank (NAB) who now supply a monthly volunteer group to assist with resource preparation, mail outs and other clerical tasks, and are also accessing some volunteers through the NAB skilled volunteering program. Other volunteer groups currently working with VAC/GMHC include Gilead Sciences and Weratah Lodge Nursing Home.

During the year 80 volunteers undertook Core Training and 57 of these went on to become active volunteers within the organisation. Currently VAC/GMHC has 280 active volunteers working across the organisation.



**Board of Directors Report  
for the year ended 30th June 2008**

Your Board of Directors submit the financial report of the Victorian AIDS Council Inc. for the financial year ended 30th June 2008.

**Board of Directors** The names of the Board of Directors members throughout the year & at the date of this report are: **Kevin Guiney, Grant Davies, Mark McColl, Sonny Williams, Valarie Sands, Laura Redgrave, Bill Calder, Mike Kennedy, Guy Hussey** (supt 12th Nov 2007, **Jason Asselin** (supt 12th Nov 2007, **Mark Saunders, Jack Graham, Ian Coutts & Jon Willis** stood down at last year's annual general meeting.

**Incorporation** The Victorian AIDS Council Inc. was incorporated on 16th January 1985.

**Principal Activities** The principal activities of the association during the financial year was that of providing support, education, & advocacy for all those affected by HIV / AIDS, especially gay & bisexual men.

**Significant Changes** No significant change in the nature of these activities occurred during the year except that the Association signed a memorandum of understanding with the unincorporated body "In Home Support Program" to formally amalgamate with this unincorporated body & as a result a carry forward amount of \$343,764 was brought to account as income in the current financial year.

On the 1st December 2006 the Boards of Directors of the Victorian AIDS Council Inc. & the Gay Men's Health Centre Inc. resolved to transfer all staff & their entitlements from GMHC to VAC. This transfer has been agreed to by all staff members & the respective unions.

**Financial Results** The profit for the year was \$537,908 (2007: \$148,465 profit) & no provision for income tax was required as the Association is exempt from income tax.

Signed in accordance with a resolution of the Board of Directors.



Kevin Guiney President  
South Yarra, 6th October, 2008



Mark McColl Treasurer

**Statement by the Board of Directors  
for the year ended 30th June 2008**

The Board of Directors has determined that the association is not a reporting entity & that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board of Directors the financial report as set out on pages 14 to 16:

- Presents a true & fair view of the financial position of the Victorian AIDS Council Inc. as at 30th June 2008 & its performance & cash flows for the year ended on that date.
- At the date of this statement, there are reasonable grounds to believe that the Victorian AIDS Council Inc. will be able to pay its debts as & when they fall due.

This statement is made in accordance with a resolution of the Board of Directors & is signed for & on behalf of the Board of Directors by:



Kevin Guiney President  
South Yarra, 6th October, 2008



Mark McColl Treasurer

**Income Statement  
for the year ended 30th June 2008**

	NOTE	2008	2007
		\$	\$
<b>Income</b>			
Bequests, Fundraising & Sales		158,262	231,008
Donations		288,478	222,047
Fees Received		408,697	446,319
Grants Received		3,940,524	3,024,842
Interest Received		129,859	72,859
Membership Fees		4,273	7,637
Other Income		32,384	11,866
		<b>4,962,477</b>	<b>4,016,614</b>
<b>Expenditure</b>			
Service fee paid to Gay Men's Health Centre Inc. for the provision of staff services & on costs		-	950,038
Attendant Care		165,218	188,976
Building Maintenance		115,434	93,327
Consultants Fees		96,700	81,471
Depreciation		97,870	84,269
Emergency Relief Grants		94,754	110,100
Interest paid		41	(6)
Other operating expenses		1,643,226	964,709
Rental expense on operating leases			
- minimum lease payments		50,600	41,550
Salaries, Superannuation & On Costs		2,113,552	1,304,229
Telephone		47,174	49,457
		<b>4,424,568</b>	<b>3,868,148</b>
<b>Profit after income tax</b>	1(d)/3	<b>537,908</b>	<b>148,465</b>
<b>Retained profits at the beginning of the financial year</b>		<b>752,852</b>	<b>604,387</b>
<b>Retained profits at the end of the financial year</b>		<b>1,290,760</b>	<b>752,852</b>

THE ACCOMPANYING NOTES FORM PART OF THIS FINANCIAL REPORT.

**Balance Sheet as at 30th June 2008**

	NOTE	2008	2007
<b>Current Assets</b>			
Cash & Cash Equivalents	4	2,436,156	2,034,304
Trade & Other Receivables	5	174,168	149,855
<b>Total Current Assets</b>		<b>2,610,324</b>	<b>2,183,959</b>
<b>Non-Current Assets</b>			
Plant & Equipment	6	311,707	329,905
<b>Total Non-Current Assets</b>		<b>311,707</b>	<b>329,905</b>
<b>Total Assets</b>		<b>2,922,031</b>	<b>2,513,864</b>
<b>Current Liabilities</b>			
Trade & Other Payables	7	1,376,104	1,498,481
Employee Entitlements	8	255,167	262,531
<b>Total Current Liabilities</b>		<b>1,631,271</b>	<b>1,761,012</b>
<b>Total Liabilities</b>		<b>1,631,271</b>	<b>1,761,012</b>
<b>Net Assets</b>		<b>1,290,760</b>	<b>752,852</b>
<b>MEMBERS' FUNDS</b>			
Retained Profits		1,290,760	752,852
<b>Total Members' Funds</b>		<b>1,290,760</b>	<b>752,852</b>

THE ACCOMPANYING NOTES FORM PART OF THIS FINANCIAL REPORT.

**Cash Flow Statement  
For the year ended 30th June 2008**

	NOTE	2008	2007
		\$	\$
<b>Cash flows from Operating Activities</b>			
Receipts from members		4,273	7,637
Core funding grant receipts, donations & bequests		4,387,264	3,653,083
Receipts from sales of publications & services		441,081	801,831
Interest received		129,859	64,146
Payments to suppliers & employees		(4,385,162)	(3,460,647)
<b>Net cash provided by operating activities</b>	B	<b>577,315</b>	<b>865,850</b>
<b>Cash flows from Investing Activities</b>			
Purchases of plant & equipment		(79,673)	(61,761)
<b>Net cash (used in) investing activities</b>		<b>(79,673)</b>	<b>(61,761)</b>
<b>Cash flows from Financing Activities</b>			
<b>Net increase in cash held</b>		<b>497,642</b>	<b>804,089</b>
<b>Cash at the beginning of the financial year</b>		<b>1,891,400</b>	<b>1,087,311</b>
<b>Cash at the end of the financial year</b>	A	<b>2,389,042</b>	<b>1,891,400</b>

THE ACCOMPANYING NOTES FORM PART OF THIS FINANCIAL REPORT.

**Note A - Reconciliation of Cash**

For the purposes of the cash flow statement, cash includes cash on hand and in banks and investments in money markets. Cash at the end of the financial year is shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

Cash at Bank	2,409,710	2,010,164
Cash on Hand	4,140	2,340
Interest Bearing Deposits	7,365	6,981
Support Group Bank Accounts	14,541	14,829
Bank Overdraft - (Unsecured)	(47,114)	(142,904)
	<b>2,389,042</b>	<b>1,891,400</b>

**Note B - Reconciliation of net cash provided by operating activities to profit after income tax**

Profit after income tax	537,908	148,465
<b>Non-cash flows in profit after income tax:</b>		
Depreciation	97,870	84,269
Building Maintenance Fund	50,000	50,000
<b>Changes in Assets &amp; Liabilities:</b>		
(Increase)/decrease in trade & other receivables	(24,513)	(63,345)
Increase/(decrease) in trade & other payables	(76,587)	373,030
Increase/(decrease) in employee entitlements	(7,363)	262,531
	<b>577,315</b>	<b>865,850</b>

THE ASSOCIATION HAS NO CREDIT STANDING OR FINANCING FACILITIES IN PLACE. THERE WERE NO NON-CASH FINANCING OR INVESTING ACTIVITIES DURING THE PERIOD.



**Notes to the Financial Statements  
for the year ended 30th June 2008**

**1. Statement of Significant Accounting Policies**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1981 (Vic). The Board of Management has determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act 1981 (Vic) & the following Australian Accounting Standards:

- AASB 101 – Presentation of Financial Statements
- AASB 107 – Cash Flow Statements
- AASB 108 – Accounting Policies, Changes in Accounting Estimates & Errors
- AASB 110 – Events Occurring after Reporting Date
- AASB 112 – Income Taxes
- AASB 116 – Property, Plant & Equipment
- AASB 117 – Leases
- AASB 118 – Revenue
- AASB 1031 – Materiality

No other applicable Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis & is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

**a. Grants Received**

Grants received have been allocated proportionately over the period covered by the grant & brought to account as income accordingly.

**b. Membership Subscriptions Income**

In accordance with generally accepted accounting principles for similar organisations, membership subscriptions are accounted for on a cash receipts basis.

**c. Plant & Equipment**

Each class of plant & equipment are included at cost less depreciation and impairment losses or at independent valuation.

The carrying amount of plant and equipment is reviewed annually by the Board to ensure that it is not in excess of the recoverable amount from these assets.

The depreciable amount of all fixed assets except buildings but including capitalised leasehold improvements are depreciated on a diminishing balance value over their useful lives to the Association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant & equipment	6.0%
Office furniture	6.6%
Motor vehicles	25.0%
Leasehold improvements	10.0%
Computer equipment	20.0%

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Gains & losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained profits.

**d. Income Tax**

The association has been granted exemption from income tax under Section 50-15 of the Income Tax Assessment Act 1997, as amended.

**e. Leases**

Lease payments under operating leases, where substantially all the risks & benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**2. Operating Revenue**

	2008	2007
	\$	\$
Bequests, Fundraising & Sales	158,262	231,006
Donations	288,478	222,047
Fees Received	408,697	446,319
Grants Received	3,940,524	3,024,842
Interest Received	129,859	72,895
Membership Fees	4,273	7,637
Other Income	32,384	11,866
	<b>4,962,477</b>	<b>4,016,614</b>

**3. Profit After Income Tax**

Profit after income tax has been determined after:

Crediting as income:		
Interest Received	129,859	72,895
Charging as expense:		
Interest paid	41	(0)
Depreciation of plant & equipment	97,870	84,269
Auditors' remuneration		
Current Auditors		
- Auditing the accounts	13,000	-
- Other services	4,500	-
Previous Auditors		
- Auditing the accounts	-	11,280
- Other services	-	1,990

**4. Cash & Cash Equivalents**

Cash at Bank	2,409,710	2,010,154
Cash on Hand	4,140	2,340
Interest Bearing Deposits	7,365	6,981
Support Group Bank Accounts	14,941	14,829
	<b>2,436,156</b>	<b>2,034,304</b>

**5. Trade & Other Receivables**

Accrued Revenue	17,375	21,885
Prepayments	15,041	11,832
Sundry Debtors	3,251	2,931
Unsecured Loan - Gay Men's Health Centre Inc.	118,501	113,007
Unsecured Loan - AIDS Trust Australia	20,000	-
	<b>174,168</b>	<b>149,655</b>

**6. Plant & Equipment**

Computer Equipment at cost	670,696	649,159
Less Accumulated Depreciation	(597,500)	(544,401)
	<b>73,196</b>	<b>104,758</b>
Motor Vehicle at cost	27,515	27,515
Less Accumulated Depreciation	(16,263)	(9,404)
	<b>11,252</b>	<b>18,111</b>

**Notes to the Financial Statements  
for the year ended 30th June 2008 continued**

	2008	2007
	\$	\$
<b>6. Plant &amp; Equipment</b> continued		
Leasehold Improvements at cost	90,870	90,870
Less Accumulated Amortisation	(60,860)	(51,733)
	<b>30,010</b>	<b>39,137</b>
Office Furniture at cost	674,143	615,997
Less Accumulated Depreciation	(476,864)	(448,098)
	<b>197,279</b>	<b>167,899</b>
	<b>311,707</b>	<b>329,905</b>

**7. Trade & Other Payables**

Bank Overdraft (Unsecured)	47,114	142,904
Grants in Advance (Unexpended)	161,602	470,181
Project Funds in Advance (Unexpended)	981,359	741,974
Trade Creditors	63,595	59,418
Capital Grant in Advance (Unexpended)	22,434	34,004
Building Maintenance Fund	100,000	50,000
	<b>1,376,104</b>	<b>1,498,481</b>

**8. Employee Entitlements**

Provision for Annual Leave	134,330	153,161
Provision for Long Service Leave	120,837	109,370
	<b>255,167</b>	<b>262,531</b>

**9. Leasing Commitments**

Operating Lease Commitments

Rental Properties & Motor Vehicles		
Payable - minimum lease payments		
- not later than 12 months	43,692	84,487
- between 12 months and 5 years	141,841	230,120
- greater than 5 years	-	-
<b>Total Lease Liabilities</b>	<b>185,533</b>	<b>304,607</b>

The association has two property leases & eight motor vehicle leases.

The property leases are non-cancellable leases, each with a five year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreements require that the minimum lease payments shall be increased by CPI. An option exists to renew each lease at the end of the five year term for three additional terms of five years. The leases allow for the sub-letting of all lease areas.

Summit Auto Lease Australia Pty Ltd hold charges over the assets of the association for the operating leases on the motor vehicles.

**Independent Auditor's Report to the Members  
of Victorian AIDS Council Inc.  
Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report of Victorian AIDS Council Inc. (the association) which comprises the balance sheet as at 30th June 2008 and the income statement, cash flow statement, a summary of significant accounting policies, other explanatory notes & the statement by members of the Board of management.

**Board's Responsibility for the Financial Report**

The Board of management of the association is responsible for the preparation & fair presentation of the financial report & have determined that the accounting policies described in Note 1 to the financial statements which form part of the financial report are consistent with the financial reporting requirements of the Associations Incorporation Act 1981 (Vic) & are appropriate to meet the needs of the members. The Board of management's

responsibilities also include establishing & maintaining internal control relevant to the preparation & fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting & applying appropriate accounting policies, & making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion of the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. 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 & plan & 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 & 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 & 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 & the reasonableness of accounting estimates made by the Board of management, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Board of management's financial reporting under the Associations Incorporation Act 1981 (Vic). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

**Qualification**

As is common for organisations of this type, it is not practicable for the associations to maintain effective systems of internal controls over donations & other fund raising activities until their initial entry in the accounting records. Accordingly, our audit in relation to donations & fund raising was limited to amounts recorded.

**Qualified Auditor's Opinion**

In our opinion, except for the effects on the financial report of the matters referred to in the qualification paragraph the financial report of Victorian AIDS Council Inc. presents fairly in all material respects the financial position of Victorian AIDS Council Inc. as at 30th June 2008 & of its financial performance & cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Clements Dunne & Bell Partnership Chartered Accountants

*A. Wehrens*  
Andrew Wehrens Partner  
Melbourne, 7th October 2008



**Gay Men's  
Health Centre Inc.  
Financial Report**  
Reg No A0010550F

**Board of Directors Report  
for the year ended 30th June 2008**

Your Board of Directors submit the financial report of the Gay Men's Health Centre Inc for the financial year ended 30th June 2008.

**Board of Directors** The names of the Board of Directors members throughout the year & at the date of this report are: Kevin Guiney, Grant Davies, Mark McColl, Sonny Williams, Valarie Sands, Laura Redgrave, Bill Calder, Mike Kennedy, Guy Hussey (appt. 12th Nov 2007), Jason Asselin (appt. 12th Nov 2007), Mark Saunders, Jack Graham, Ian Coutts & Jon Willis stood down at last year's annual general meeting.

**Incorporation** The Gay Men's Health Centre Inc was incorporated on 22nd August 1986.

**Principal Activities** The principal activities of the association during the financial year was that of promoting the health & well being of gay & bisexual men.

**Significant Changes** No significant change in the nature of these activities occurred during the current year.

On the 1st December 2006 the Boards of Directors of the Victorian AIDS Council Inc. & the Gay Men's Health Centre Inc. resolved to transfer all staff & their entitlements from GMHC to VAC. This transfer has been agreed to by all staff members & the respective unions.

**Operating Result** The loss for the year was \$6,535 (2007: \$6,624 loss) & no provision for income tax was required as the association is exempt from income tax.

Signed in accordance with a resolution of the Board of Directors:



Kevin Guiney President  
South Yarra, 6th October 2008



Mark McColl Treasurer

**Statement by the Board of Directors  
for the year ended 30th June 2008**

The Board of Directors has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board of Directors the financial report as set out on pages 18 to 21:

- Presents a true and fair view of the financial position of the Gay Men's Health Centre Inc. as at 30th June 2008 and its performance & cash flows for the year ended on that date.
- At the date of this statement, there are reasonable grounds to believe that the Gay Men's Health Centre Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board of Directors by:



Kevin Guiney President  
South Yarra, 6th October 2008



Mark McColl Treasurer

**Income Statement  
for the year ended 30th June 2008**

	NOTE	2008	2007
		\$	\$
<b>Income</b>			
Interest Received		9	59
Service Fees Received from Victorian AIDS Council Inc for provision of staff services & on costs		-	950,038
		<b>9</b>	<b>950,097</b>
<b>Expenditure</b>			
Audit fees	5,000	5,496	
Depreciation	1,174	516	
Interest Expense	-	197	
Other Expenses	370	474	
Salaries, Wages & On Costs	-	950,038	
		<b>6,544</b>	<b>956,721</b>
<b>Profit/(Loss) after income tax</b>	1(d)/3	<b>(6,535)</b>	<b>(6,624)</b>
<b>Retained profits at the beginning of the financial year</b>		<b>1,069,180</b>	<b>1,075,804</b>
<b>Retained profits at the end of the financial year</b>		<b>1,062,645</b>	<b>1,069,180</b>

THE ACCOMPANYING NOTES FORM PART OF THIS FINANCIAL REPORT.

**Balance Sheet as at 30th June 2008**

		2008	2007
<b>Current Assets</b>			
Cash & cash equivalents	4	702	1,078
<b>Total Current Assets</b>		<b>702</b>	<b>1,078</b>
<b>Non-Current Assets</b>			
Property, plant & equipment	5	6,170,000	3,621,174
<b>Total Non-Current Assets</b>		<b>6,170,000</b>	<b>3,621,174</b>
<b>Total Assets</b>		<b>6,170,702</b>	<b>3,622,252</b>
<b>Current Liabilities</b>			
Trade & Other Payables	6	123,501	118,516
<b>Total Current Liabilities</b>		<b>123,501</b>	<b>118,516</b>
<b>Total Liabilities</b>		<b>123,501</b>	<b>118,516</b>
<b>Net Assets</b>		<b>6,047,201</b>	<b>3,503,736</b>
<b>Members' Funds</b>			
Reserves	7	4,984,556	2,434,556
Retained Profits		1,062,645	1,069,180
<b>Total Members' Funds</b>		<b>6,047,201</b>	<b>3,503,736</b>

THE ACCOMPANYING NOTES FORM PART OF THIS FINANCIAL REPORT.

**Cash Flow Statement  
for the year ended 30th June 2008**

	NOTE	2008	2007
		\$	\$
<b>Cash flows from Operating Activities</b>			
Interest received		9	59
Receipts from customers		-	950,038
Payments to suppliers & employees	(385)	(1,202,735)	
<b>Net cash by/(used in) operating activities</b>	<b>B</b>	<b>(376)</b>	<b>(252,638)</b>
<b>Cash flows from Investing Activities</b>			
		-	-
<b>Cash flows from Financing Activities</b>			
		-	-
<b>Net increase/(decrease) in cash held at the beginning of the financial year</b>		<b>(376)</b>	<b>(252,638)</b>
<b>Cash at the end of the financial year</b>	<b>A</b>	<b>702</b>	<b>1,078</b>

**Note A - Reconciliation of Cash**

For the purposes of the cash flow statement, cash includes cash on hand and in banks and investments in money markets. Cash at the end of the financial year is shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

	2008	2007
Cash at Bank	702	1,078
	<b>702</b>	<b>1,078</b>

**Note B - Reconciliation of net cash by/(used in) operating activities to profit/(loss) after income tax**

	2008	2007
Profit/(Loss) after income tax	(6,535)	(6,624)
<b>Non-cash flows in profit/(loss) after income tax:</b>		
Depreciation	1,174	516
<b>Changes in Assets &amp; Liabilities:</b>		
(Increase)/decrease in trade & other receivables	-	499
Increase/(decrease) in trade & other payables	4,995	(14,437)
Increase/(decrease) in provisions	-	(232,592)
	<b>(376)</b>	<b>(252,638)</b>

THE ASSOCIATION HAS NO CREDIT STAND-BY OR FINANCING FACILITIES IN PLACE. THERE WERE NO NON-CASH FINANCING OR INVESTING ACTIVITIES DURING THE PERIOD.



**Notes to the Financial Statements  
for the year ended 30th June 2008**

**1. Statement of Significant Accounting Policies**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1981 (Vic). The Board of Management has determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act 1981 (Vic) and the following Australian Accounting Standards: AASB 101 – Presentation of Financial Statements  
AASB 107 – Cash Flow Statements  
AASB 108 – Accounting Policies, Changes in Accounting Estimates & Errors  
AASB 110 – Events after the Balance Sheet Date  
AASB 112 – Income Taxes  
AASB 116 – Property, Plant & Equipment  
AASB 117 – Leases  
AASB 1031 – Materiality

No other applicable Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis & is based on historic costs & does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

**a. Grants Received**

Grants received have been allocated proportionately over the period covered by the grant & brought to account as income accordingly.

**b. Employee Benefits**

Provision is made in respect of the liability for annual leave & long service leave at balance date at current rates of remuneration based on applicable award or contract conditions.

**c. Property, Plant & Equipment**

Each class of property, plant & equipment are included at cost less depreciation & impairment losses or at independent valuation. The carrying amount of plant and equipment is reviewed annually by the Board to ensure that it is not in excess of the recoverable amount from these assets.

The depreciable amount of all fixed assets except buildings but including capitalised leasehold improvements are depreciated on a diminishing balance value over their useful lives to the Association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant & equipment	6.0%

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Gains & losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are

sold, amounts included in the revaluation relating to that asset are transferred to retained profits.

**d. Income Tax**

The association has been granted exemption from income tax under Section 50-15 of the Income Tax Assessment Act 1997, as amended.

	2008	2007
	\$	\$
<b>2. Operating Revenue</b>		
Interest Received	9	59
Service Fees Received from Victorian AIDS Council Inc for provision of staff services & on costs	-	950,038
	<b>9</b>	<b>950,097</b>

**3. Profit/(Loss) After Income Tax**

Profit/(Loss) after income tax has been determined after:

	2008	2007
Crediting as income:		
Interest Received	9	59
Charging as expenses:		
Depreciation of plant & equipment	1,174	516
Interest paid	-	197
Auditors' remuneration		
Current Auditors		
- Auditing the accounts	5,000	-
- Other services	-	-
Previous Auditors		
- Auditing the accounts	-	5,496
- Other services	-	-

**4. Cash & Cash Equivalents**

Cash at Bank	702	1,078
	<b>702</b>	<b>1,078</b>

**5. Property, Plant & Equipment**

Freehold Land & Building		
6-8 Claremont Street at independent valuation 30th June 2006	-	3,500,000
Freehold Land & Building		
6-8 Claremont Street at independent valuation 30th June 2008	6,000,000	-
10 Car Parking Spaces		
11-17 Daly Street at independent valuation 30th June 2006	-	120,000
10 Car Parking Spaces		
11-17 Daly Street at independent valuation 30th June 2008	170,000	-
Plant & Equipment at cost	33,446	33,446
Less Accumulated Depreciation	(33,446)	(32,272)
	-	1,174
	<b>6,170,000</b>	<b>3,621,174</b>

The land & building at 6-8 Claremont Street South Yarra & the car parking spaces at 11-17 Daly Street South Yarra were purchased solely with funds raised by the association by way of donations, bequests, sponsorship & other fundraising initiatives. Grants received have been used entirely as specified in grant guidelines, & have not been used in the purchase of the land, buildings or car parking spaces.

**Notes to the Financial Statements**

**for the year ended 30th June 2008 continued**

The land and building at 6-8 Claremont Street South Yarra & the car parking spaces at 11-17 Daly Street South Yarra were independently valued on 30th June 2008 by Mr. Gerard Browne Valuer, Assoc Dip Val (RMIT). Licensed Real Estate Agent, in accordance with a policy of property revaluation every two years.

	2008	2007
	\$	\$
<b>6. Trade &amp; Other Payables</b>		
Unsecured Loan -		
Victorian AIDS Council Inc.	118,501	113,007
Trade Creditors	5,000	5,509
	<b>123,501</b>	<b>118,516</b>

**7. Reserves**

Asset Revaluation Reserve	4,984,556	2,434,556
	<b>4,984,556</b>	<b>2,434,556</b>

**Movements during the year**

Opening balance	2,434,556	2,434,556
Revaluation increment on freehold land & building	2,500,000	-
Revaluation increment on car parking spaces	50,000	-
Closing balance	<b>4,984,556</b>	<b>2,434,556</b>

**Independent Auditor's Report to the Members  
of Gay Men's Health Centre Inc.**

**Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report of Gay Men's Health Centre Inc. (the association) which comprises the balance sheet as at 30th June 2008 & the income statement, cash flow statement, a summary of significant accounting policies, other explanatory notes & the statement by members of the Board of management.

**Board's Responsibility for the Financial Report**

The Board of management of the association is responsible for the preparation & fair presentation of the financial report & have determined that the accounting policies described in Note 1 to the financial statements which form part of the financial report are consistent with the financial reporting requirements of the Associations Incorporation Act 1981 (Vic) & are appropriate to meet the needs of the members. The Board of management's responsibilities also include establishing & maintaining internal control relevant to the preparation & fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting & applying appropriate accounting policies, & making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion of the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. 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 & plan & 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 & 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 & 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 & the reasonableness of accounting estimates made by the Board of management, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Board of management's financial reporting under the Associations Incorporation Act 1981 (Vic). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

**Auditor's Opinion**

In our opinion, the financial report of Gay Men's Health Centre Inc. presents fairly in all material respects the financial position of Gay Men's Health Centre Inc. as at 30th June 2008 & of its financial performance & cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Clements Dunne & Bell Partnership Chartered Accountants

*L. Wehrens*

Andrew Wehrens Partner  
Melbourne, 7th October 2008



# Consolidated Financial Report

## Board of Directors Report for the year ended 30th June 2008

Your Boards of Directors submit the consolidated financial report of the Victorian AIDS Council Inc. & Gay Men's Health Centre Inc for the financial year ended 30th June 2008.

**Board of Directors** The names of the Board of Directors members throughout the year & at the date of this report are: Kevin Guiney, Grant Davies, Mark McColl, Sonny Williams, Valarie Sands, Laura Redgrave, Bill Calder, Mike Kennedy, Guy Hussey appt. 12th Nov 2007, Jason Asselin appt. 12th Nov 2007, Mark Saunders, Jack Graham, Ian Coutts & Jon Willis stood down at last year's annual general meeting.

**Incorporation** The Victorian AIDS Council Inc. was incorporated on 16th January 1985 & the Gay Men's Health Centre Inc. was incorporated on 22nd August 1986.

**Principal Activities** The principal activities of the association during the financial year was that of providing support, education, & advocacy for all those affected by HIV / AIDS, especially gay & bisexual men & promoting the health & well being of gay & bisexual men.

**Significant Changes** No significant change in the nature of these activities occurred during the year except that the Association signed a memorandum of understanding with the unincorporated body "In Home Support Project" to formally amalgamate with this unincorporated body & as a result a carry forward amount of \$343,764 was brought to account as income in the current financial year.

**Financial Result** The profit for the year was \$531,373 (2007 profit \$141,841) & no provision for income tax was required as the associations are exempt from income tax.

Signed in accordance with a resolution of the Board of Directors.



Kevin Guiney President  
South Yarra, 6th October 2008



Mark McColl Treasurer

## Statement by the Board of Directors for the year ended 30th June 2008

The Boards of Directors have determined that the associations are not reporting entities & that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Boards of Directors the financial report as set out on pages 22 to 25:

a. Presents a true & fair view of the consolidated financial position of the Victorian AIDS Council Inc. & Gay Men's Health Centre Inc. as at 30th June 2008 & their performance & cash flows for the year ended on that date.

c. At the date of this statement, there are reasonable grounds to believe that the Victorian AIDS Council Inc. & Gay Men's Health Centre Inc. will be able to pay their debts as & when they fall due.

This statement is made in accordance with a resolution of the Boards of Directors & is signed for & on behalf of the Boards of Directors by:



Kevin Guiney President  
South Yarra, 6th October 2008



Mark McColl Treasurer

## Income Statement for the year ended 30th June 2008

	NOTE	2008	2007
		\$	\$
<b>Income</b>			
Bequests, Fundraising & Sales		158,262	231,008
Donations		288,478	222,047
Fees Received		408,697	446,319
Grants Received		3,940,524	3,024,842
Interest Received		129,868	72,954
Membership Fees		4,273	7,637
Other Income		32,384	11,866
		<b>4,962,486</b>	<b>4,016,673</b>
<b>Expenditure</b>			
Attendant Care		165,218	188,976
Building Maintenance		115,434	93,327
Consultants Fees		96,700	81,471
Depreciation		99,044	84,785
Emergency Relief Grants		94,754	110,100
Interest paid		41	191
Other operating expenses		1,648,596	970,678
Rental expense on operating leases			
- minimum lease payments		50,600	41,580
Staff services and on costs		2,113,552	2,254,267
Telephone		47,174	49,457
		<b>4,431,113</b>	<b>3,874,832</b>
<b>Profit after income tax</b>	<b>1(e) / 3</b>	<b>531,373</b>	<b>141,841</b>
<b>Retained profits at the beginning of the financial year</b>		<b>1,822,032</b>	<b>1,680,191</b>
<b>Retained profits at the end of the financial year</b>		<b>2,353,405</b>	<b>1,822,032</b>

THE ACCOMPANYING NOTES FORM PART OF THIS FINANCIAL REPORT.

## Balance Sheet as at 30th June 2008

<b>Current Assets</b>			
Cash & Cash Equivalents	4	2,436,658	2,036,382
Trade & Other Receivables	5	55,667	36,648
<b>Total Current Assets</b>		<b>2,492,325</b>	<b>2,072,030</b>
<b>Non-Current Assets</b>			
Property, plant & equipment	6	6,481,707	3,951,079
<b>Total Non-Current Assets</b>		<b>6,481,707</b>	<b>3,951,079</b>
<b>Total Assets</b>		<b>8,974,032</b>	<b>6,023,109</b>
<b>Current Liabilities</b>			
Trade & Other Payables	7	1,381,104	1,503,990
Provisions	8	255,167	262,531
<b>Total Current Liabilities</b>		<b>1,636,271</b>	<b>1,766,521</b>
<b>Total Liabilities</b>		<b>1,636,271</b>	<b>1,766,521</b>
<b>Net Assets</b>		<b>7,337,761</b>	<b>4,256,588</b>
<b>Members' Funds</b>			
Reserves	9	4,084,556	2,434,556
Retained profits		2,353,405	1,822,032
<b>Total Members' Funds</b>		<b>7,337,961</b>	<b>4,256,588</b>

THE ACCOMPANYING NOTES FORM PART OF THIS FINANCIAL REPORT.

## Cash Flow Statement for the year ended 30th June 2008

	NOTE	2008	2007
		\$	\$
<b>Cash flows from Operating Activities</b>			
Receipts from members		4,273	7,637
Core funding grant receipts, donation & bequests		4,387,264	3,653,093
Receipts from sales of publications & services		441,081	601,631
Interest received		129,868	64,205
Payments to suppliers & employees		(4,385,547)	(3,713,344)
<b>Net cash provided by operating activities</b>	<b>B</b>	<b>576,939</b>	<b>613,212</b>
<b>Cash flows from Investing Activities</b>			
Purchases of plant & equipment		(79,673)	(61,761)
<b>Net cash (used in) investing activities</b>		<b>(79,673)</b>	<b>(61,761)</b>
<b>Cash flows from Financing Activities</b>			
<b>Net increase in cash held</b>		<b>497,266</b>	<b>551,451</b>
<b>Cash at the beginning of the financial year</b>		<b>1,892,478</b>	<b>1,341,027</b>
<b>Cash at the end of the financial year</b>	<b>A</b>	<b>2,389,744</b>	<b>1,892,478</b>

### Note A - Reconciliation of Cash

For the purposes of the cash flow statement, cash includes cash on hand and in banks and investments in money markets. Cash at the end of the financial year is shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

Bank Overdraft - (Unsecured)	(47,114)	(142,904)
Cash at Bank	2,410,412	2,011,232
Cash on Hand	4,140	2,340
Investments	7,365	6,981
Support Group Bank Accounts	14,941	14,825
	<b>2,389,744</b>	<b>1,892,478</b>

### Note B - Reconciliation of net cash provided by ordinary activities to profit after income tax activities

Profit after income tax	531,373	141,841
<b>Non-cash flows in profit after income tax:</b>		
Depreciation	99,044	84,785
Building Maintenance Fund	50,000	50,000
<b>Changes in Assets &amp; Liabilities:</b>		
(Increase)/decrease in trade & other receivables	(19,019)	(17,860)
Increase/(decrease) in trade & other payables	(77,096)	324,507
Increase/(decrease) in provisions	(7,363)	20,030
	<b>576,939</b>	<b>613,212</b>

THE ASSOCIATION HAS NO CREDIT STAND-BY OR FINANCING FACILITIES IN PLACE THERE WERE NO NON-CASH FINANCING OR INVESTING ACTIVITIES DURING THE PERIOD.



**Notes to the Financial Statements  
for the year ended 30th June 2008**

**1. Statement of Significant Accounting Policies**

This consolidated financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1981 (Vic). The Boards of Management have determined that the associations are not reporting entities.

The consolidated financial report has been prepared in accordance with the requirements of the Associations Incorporation Act 1981 (Vic) & the following Australian Accounting Standards:

- AASB 101 – Presentation of Financial Statements
- AASB 107 – Cash Flow Statements
- AASB 108 – Accounting Policies, Changes in Accounting Estimates & Errors
- AASB 110 – Events Occurring After Reporting Date
- AASB 112 – Income Taxes
- AASB 116 – Property, Plant & Equipment
- AASB 117 – Leases
- AASB 118 – Revenues
- AASB 1031 – Materiality

No other applicable Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The consolidated financial report has been prepared on an accruals basis & is based on historic costs & does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

**a. Principles of Consolidation**

The combined financial report of the Victorian AIDS Council Inc. & Gay Men's Health Centre Inc. comprises the consolidated financial reports of both Associations. Any transactions between the two Associations or any monies owing or owed have been eliminated so as to present a report as if the two Associations were one entity.

**b. Grants Received**

Grants received have been allocated proportionately over the period covered by the grant & brought to account as income accordingly.

**c. Membership Subscriptions Income**

In accordance with generally accepted accounting principles for similar organisations, membership subscriptions are accounted for on a cash receipts basis.

**d. Property, Plant & Equipment**

Each class of property, plant & equipment are included at cost less depreciation & impairment losses or at independent valuation.

The carrying amount of plant & equipment is reviewed annually by the Board to ensure that it is not in excess of the recoverable amount from these assets.

The depreciable amount of all fixed assets except buildings but including capitalised leasehold improvements are depreciated on a diminishing balance value over their useful lives to the Association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant & equipment	6.0%
Office furniture	6.6%
Motor vehicles	25.0%
Leasehold improvements	10.0%
Computer equipment	20.0%

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Gains & losses on disposals are determined by comparing proceeds with the carrying amount. These gains & losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained profits.

**e. Income Tax**

Both the Associations have been granted exemption from income tax under Section 50-15 of the Income Tax Assessment Act 1997, as amended.

**f. Leases**

Lease payments under operating leases, where substantially all the risks & benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**g. Employee Benefits**

Provision is made in respect of the liability for annual leave & long service leave at balance date at current rates of remuneration based on applicable award or contract conditions.

	2008	2007
	\$	\$
<b>2. Operating Revenue</b>		
Bequests, Fundraising & Sales	158,262	231,008
Donations	288,478	222,047
Fees Received	408,697	446,319
Grants Received	3,040,524	3,024,842
Interest Received	129,868	72,954
Membership Fees	4,273	7,637
Other Income	32,384	11,868
	<b>4,962,486</b>	<b>4,018,673</b>

**3. Profit After Income Tax**

Profit after income tax has been determined after:

Crediting as income:		
Interest Received	129,868	72,954
Charging as expenses:		
Depreciation of plant & equipment	99,044	84,785
Interest paid	41	191
Auditors' remuneration		
Current Auditors		
- Auditing the accounts	18,000	-
- Other services	4,500	-
Previous Auditors		
- Auditing the accounts	-	16,776
- Other services	-	1,990

**Notes to the Financial Statements  
for the year Ended 30th June 2008 continued**

	2008	2007
	\$	\$
<b>4. Cash &amp; Cash Equivalents</b>		
Cash at Bank	2,410,412	2,011,232
Cash on Hand	4,140	2,340
Interest Bearing Deposits	7,365	6,981
Support Group Bank Accounts	14,941	14,829
	<b>2,436,858</b>	<b>2,035,382</b>
<b>5. Trade &amp; Other Receivables</b>		
Accrued Revenue	17,375	21,885
Prepayments	15,041	11,832
Sundry Debtors	3,251	2,931
Unsecured Loan – AIDS Trust Australia	20,000	-
	<b>55,667</b>	<b>36,648</b>

**6. Property, Plant & Equipment**

Freehold Land & Building		
6-8 Claremont Street at independent valuation 30th June 2006	-	3,500,000
Freehold Land & Building		
6-8 Claremont Street at independent valuation 30th June 2008	6,000,000	-
10 Car Parking Spaces		
11-17 Daly Street at independent valuation 30th June 2006	-	120,000
10 Car Parking Spaces		
11-17 Daly Street at independent valuation 30th June 2008	170,000	-
Plant & Equipment	33,446	33,448
Less Accumulated Depreciation	(33,446)	(32,272)
	-	1,174
Computer Equipment at cost	670,686	649,150
Less Accumulated Depreciation	(597,500)	(544,401)
	73,186	104,758
Motor Vehicle at cost	27,515	27,515
Less Accumulated Depreciation	(16,283)	(9,404)
	11,232	18,111
Leasehold Improvements at cost	90,870	90,870
Less Accumulated Amortisation	(60,860)	(51,733)
	30,010	39,137
Office Furniture at cost	674,143	615,997
Less Accumulated Depreciation	(476,864)	(448,098)
	197,279	167,899
	<b>6,481,707</b>	<b>3,951,079</b>

The land & building at 6-8 Claremont Street South Yarra & the car parking spaces at 11-17 Daly Street South Yarra were purchased solely with funds raised by the association by way of donations, bequests, sponsorship & other fundraising initiatives. Grants received have been used entirely as specified in grant guidelines & not have been used in the purchase of the land, building or car parking spaces.

The land & building at 6-8 Claremont Street South Yarra & the 10 car parking spaces at 11-17 Daly Street South Yarra were independently valued on 30th June 2008 by Mr. Gerard Bröwne Valuer, Assoc Dip Val (RMIT), Licenced Estate Agent, AAPI in accordance with a policy of property revaluation every two years.

**Notes to the Financial Statements  
for the year Ended 30th June 2008 continued**

	2008	2007
	\$	\$
<b>7. Trade &amp; Other Payables</b>		
Bank Overdraft (Unsecured)	47114	142,904
Grants in Advance (Unexpended)	161,602	470,181
Project Funds in Advance (Unexpended)	981,359	741,974
Trade Creditors	68,595	64,927
Capital Grant in Advance (Unexpended)	22,434	34,004
Building Maintenance Fund	100,000	50,000
	<b>1,381,104</b>	<b>1,503,990</b>
<b>8. Provisions</b>		
Annual Leave	134,330	153,161
Long Service Leave	120,837	109,370
	<b>255,167</b>	<b>262,531</b>

**9. Reserves**

Asset Revaluation Reserve	4,984,556	2,434,556
	<b>4,984,556</b>	<b>2,434,556</b>
Movements during the year		
Opening balance	2,434,556	2,434,556
Revaluation increment on freehold land & building	2,500,000	-
Revaluation increment on car parking spaces	50,000	-
Closing balance	4,984,556	2,434,556

**10. Leasing Commitments**

**Operating Lease Commitments**

Rental Properties & Motor Vehicles		
Payable – minimum lease payments		
- not later than 12 months	43,692	84,487
- between 12 months & 5 years	141,841	220,120
- greater than 5 years	-	-
<b>Total Lease Liabilities</b>	<b>185,533</b>	<b>304,607</b>

The association has two property leases & eight motor vehicle leases.

The property leases are non-cancellable leases, each with a five year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreements require that the minimum lease payments shall be increased by CPI. An option exists to renew each lease at the end of the five year term for three additional terms of five years. The leases allow for the sub-letting of all lease areas.

Summit Auto Lease Australia Pty Ltd hold charges over the assets of the association for the operating leases on the motor vehicles.



**Independent Auditor's Report to the Members of Victorian AIDS Council Inc. & Gay Men's Health Centre Inc. Report on the Financial Report**

We have audited the accompanying consolidated financial report, being a special purpose financial report of Victorian AIDS Council Inc. & Gay Men's Health Centre Inc. (the associations) which comprises the balance sheet as at 30th June 2008 & the income statement, cash flow statement, a summary of significant accounting policies, other explanatory notes & the statement by members of the Boards of management.

**Board's Responsibility for the Financial Report**

The Boards of management of the associations are responsible for the preparation & fair presentation of the financial report & have determined that the accounting policies described in Note 1 to the financial statements which form part of the financial report are consistent with the financial reporting requirements of the Associations Incorporation Act 1981 (Vic) & are appropriate to meet the needs of the members. The Boards of management's responsibilities also include establishing & maintaining internal control relevant to the preparation & fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting & applying appropriate accounting policies, & making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion of the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. 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 & plan & 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 & 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 & 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 entities internal controls. An audit also includes evaluating the appropriateness of accounting policies used & the reasonableness of accounting estimates made by the Boards of management, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Boards of management's financial reporting under the Associations Incorporation Act 1981 (Vic). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

**Qualification**

As is common for organisations of this type, it is not practicable for the associations to maintain effective systems of internal controls over donations & other fund raising activities until their initial entry in the accounting records. Accordingly, our audit in relation to donations & fund raising was limited to amounts recorded.

**Qualified Auditor's Opinion**

In our opinion, except for the effects on the consolidated financial report of the matters referred to in the qualification paragraph the consolidated financial report of Victorian AIDS Council Inc. & Gay Men's Health Centre Inc. presents fairly in all material respects the consolidated financial position of Victorian AIDS Council Inc. & Gay Men's Health Centre Inc. as at 30th June 2008 & of their consolidated financial performance & consolidated cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Clements Dunne & Bell Partnership Chartered Accountants

*C. Wehrens*

Andrew Wehrens Partner

Melbourne, 7th October 2008

**Additional Statistical Financial Information (Unaudited) for the seven years ended 30th June 2008**

For the year ended	2008	2007	2006	2005	2004	2003	2002
	\$	\$	\$	\$	\$	\$	\$
<b>Income &amp; Expenditure</b>							
<b>Total Income</b>	<b>4,962,486</b>	<b>4,016,673</b>	<b>3,716,365</b>	<b>3,761,764</b>	<b>3,682,800</b>	<b>3,862,674</b>	<b>3,503,489</b>
Government Funding	3,940,524	3,024,842	2,930,568	2,875,281	2,945,468	3,108,756	2,959,723
Members Fees	4,273	7,637	4,662	6,407	3,557	6,042	8,502
Interest	129,898	72,954	21,285	24,903	21,822	33,942	21,907
Other Income	887,821	911,240	759,870	855,473	711,953	713,934	513,357
<b>Total Expenditure</b>	<b>4,431,113</b>	<b>3,874,832</b>	<b>3,664,262</b>	<b>3,677,086</b>	<b>3,590,764</b>	<b>3,849,916</b>	<b>3,815,418</b>
<b>Profit/(Loss)</b>	<b>531,373</b>	<b>141,841</b>	<b>52,103</b>	<b>84,676</b>	<b>92,036</b>	<b>12,758</b>	<b>(311,929)</b>
<b>Assets &amp; Liabilities</b>							
Current Assets	2,492,525	2,072,030	1,402,257	1,173,042	1,009,852	698,450	921,766
Property, Plant & Equipment (1)	6,481,707	3,951,079	3,974,103	3,646,550	3,662,872	3,246,670	3,287,028
<b>Total Assets</b>	<b>8,974,232</b>	<b>6,023,109</b>	<b>5,376,360</b>	<b>4,819,592</b>	<b>4,672,724</b>	<b>3,945,120</b>	<b>4,208,794</b>
Creditors	1,381,104	1,503,990	1,029,021	800,523	827,957	637,294	921,584
Provisions	255,167	262,531	232,592	226,425	196,799	216,739	208,881
<b>Total Liabilities</b>	<b>1,636,271</b>	<b>1,766,521</b>	<b>1,261,613</b>	<b>1,086,948</b>	<b>1,024,756</b>	<b>854,033</b>	<b>1,130,465</b>
Reserves (1)	4,984,556	2,434,556	2,434,556	2,104,556	2,104,556	1,632,556	1,632,556
<b>Members' Funds</b>	<b>2,353,405</b>	<b>1,822,032</b>	<b>1,680,191</b>	<b>1,628,088</b>	<b>1,543,412</b>	<b>1,458,531</b>	<b>1,445,773</b>
<b>Financial Ratios</b>							
Current Ratio	1.520	1.173	1.111	1.080	0.985	0.818	0.815
<b>General Performance</b>							
<b>Employees:</b>							
Full Time	34	34	38	33	30	26	26
Part Time	15	20	21	26	19	22	25
Volunteers	280	302	155	145	142	147	157
Members	446	370	405	425	448	443	474

(1) ALL BUSINESS REAL ESTATE PROPERTY IS OWNED BY THE GAY MEN'S HEALTH CENTRE INC & WAS LAST REVALUED AS AT 30TH JUNE 2008.



## Awards 2007--08

### President's Award--MAC AIDS Fund

MAC Cosmetics have been the major corporate supporters of VAC/GMHC for a number of years. Last year more than 200000 raised \$160,000 to the organisation for the David Williams Fund to provide emergency medical assistance to Victorians living with HIV/AIDS. They also help raise awareness of HIV/AIDS within the broader community by undertaking World AIDS Day events and creating beautiful and useful HIV/AIDS signs.

To date, the MAC AIDS Fund has raised more than \$300 million and done so exclusively through the sale of MAC VIVA! AM Lipsticks and Lipgloss donating 100 percent of the sale price to the MAC AIDS Fund which is distributed to local charities. MAC Cosmetics is to be congratulated for its ongoing support and its continued corporate responsibility to take great pride in awarding the President's Award to MAC Cosmetics.

### Gay & Lesbian Community Award--Hot House Media

At the end of 2006 VAC/GMHC brokered an agreement with Hot House Media, one of the most successful producers of safe sex gay porn on the internet. Hot House Media would provide VAC/GMHC with any of their production materials, free of charge, to serve a low cost sex company. This arrangement was not only new for VAC/GMHC, it was a first for the industry and in the way in which we were to use the materials it was a guideline for HIV prevention. In making this generous donation, Hot House have gone beyond just good corporate citizenship. Not only have they contributed to the work of education and the gay community in Victoria, they have enabled VAC/GMHC to implement a campaign that has been recognised internationally. This award acknowledges both the generosity of Hot House and their vision for a community free of HIV prevention.

### Gay & Lesbian Community Award--Francesco D'Macho

Francesco D'Macho came from Spain to Melbourne in January 2008 to launch his Project Concentrales campaign. Francesco provided the gay men who had seen the campaign with a bridge between the world of fantasy and the real no judgement and the best laid blood mind that he is. He not only launched the campaign but made himself available for a range of wide area press Midsumma 2008. From the campaign photos at The Grid and the Maxwell Hotel, marching with the Pride parade and radio spots on JOY FM and ABC radio to the ground level distribution of condoms and lubricants and generous with his time, speaking to media with anyone who was willing to talk with him about our campaign work, about being safe sex and the need to banish safe sex practices in the adult entertainment industry. He went on to offer a free condom rental service his life story for the Staying Naked campaign which he then printed on his blog, reaching an international audience who were very online and positive about our campaign work.

and his contribution to it. This award recognises Francesco's invaluable contribution to VAC/GMHC and our health promotion efforts.

### General Community Award--Mercedes-Benz

Mercedes-Benz has been a great corporate supporter of VAC/GMHC, having provided a Viano van for the organisation free of charge for the past two years as well as being the major sponsor of both the 2006 and 2008 Short and Girty comedy shows. They are an excellent example of a partnership between a major international corporation and a community-based organisation, a partnership which has delivered significant benefits for both VAC/GMHC clients and the clients of other Victorian PLWHA organisations who have had access to the Mercedes Viano for client camps and outings.

### VAC/GMHC Special Service Award--Ilan Werbeloff

At only 21, Ilan has been volunteering for VAC/GMHC for 2 1/2 years. He was a regular administration volunteer at the St Kilda Clinic for almost 2 years then moved to volunteering once a week in the Fundraising Program. Ilan is also a facilitator for the young and gay peer education group and has recently contributed his story to the Staying Negative website. All of this work in addition to studying full time and working part time, it is impressive to see a young person making such a significant contribution to the community.

### VAC/GMHC Special Service Award--Ken Woodgate

Until recently Ken volunteered at the Positive Living Centres as a massage therapist. Since October 2006 Ken reliably volunteered this service on a weekly basis and over a period of two years gave over 800 hours of his time. Ken brought to his work a considerate and calm demeanour which was praised and acknowledged by those individuals who received his services. Ken was recognised as being an integral part of the PLC complementary therapies program, a program structured to complement existing services to enhance health outcomes. Ken would often comment on the sense of fulfillment he felt when he witnessed the obvious health benefits that massage therapy delivered to others.

Sadly, in July of 2008 Ken passed away suddenly. He is greatly missed but we will always recognise Ken's work and amazing contribution to VAC/GMHC and the difference he made to the lives of many people living with HIV/AIDS. We acknowledge Ken's work by awarding him the VAC/GMHC Special Service Award.

### Research Award--Catherine Barrett, Matrix Guild Victoria Inc, Vintage Men Inc

In 2007 Matrix Guild and Vintage Men, supported by a grant from the Reichstein foundation, commissioned Dr Catherine Barrett to undertake a research project to explore the experiences of GLBTI seniors in need-care services. The report on the project, My People, published in June 2008, sets out clearly the range of issues that need to be addressed by

governments, community advocates and aged care service providers. In particular, the data and recommendations are enriched by the inclusion of three detailed stories that provide human faces to support the report's conclusions, including Tom's story *Why Not Take All of Me--Living With HIV/AIDS in a Nursing Home*.

### Life Membership--Paul Evans

Eighteen years ago, Paul Evans and Tex McKenzie started No Attitude Guys! and ran the first Mooning event at The Laird Hotel. Later the Slave Auction was added to the NAG! event repertoire. These have now grown into major annual events on the Melbourne calendar with the 19th Slave Market held during Melbourne's Leather Pride. Since that first event, Mooning and the Slave Auction have raised almost \$300,000 for the David Williams Fund to provide financial assistance to Victorians living with HIV/AIDS and for VAC/GMHC's North and South Support Groups. These events have drawn on the support of hundreds of volunteers and have fostered stronger links between VAC/GMHC and Melbourne's leather community. Paul received a VAC/GMHC Gay Community Award in 2007, and it is now appropriate for us to recognise and celebrate Paul's sustained commitment to VAC/GMHC and the David Williams Fund over almost 20 years.

### Life Membership--Doris Beecher

Doris Beecher became a volunteer with the VAC/GMHC Community Support Program in 1991. Her journey as a volunteer began after her own son, Stephen, was diagnosed as HIV positive. She joined the Support Program in a quest to gain greater understanding of the illness. After Stephen's death, she remained dedicated to supporting others with HIV.

As a member of the former South Support area group, Doris was a carer for many positive people and as transport coordinator she ensured that all clients got to their medical appointments.

Through both her personal experiences and the knowledge gained in her years with the program, Doris has also been able to provide effective support and mentoring to other volunteers.

The extent of her commitment to all facets of the HIV community has been exceptional. It ranges from cooking plum puddings for the South Drop-In group's Christmas lunch through to working on the bigger picture as a member of the Board of VAC/GMHC. Doris has also made a significant contribution as a long-term member of the Melbourne Quilt Project committee.

In the past year Doris has thrown herself enthusiastically into new challenges as a member of the Community Support Program's Chelsea volunteer team. She hosts the monthly team meetings, helps to arrange social support activities for clients and also organises annual fundraising dinners at the Chelsea RSL that have raised thousands of dollars to support the work of the program's volunteers.

Doris Beecher has brought a quiet but determined strength to her role as a VAC/GMHC volunteer. Her enthusiasm and her long-term commitment to the positive community set a fine example for us all.

### Life Membership--Pat Cogan

Pat has volunteered with VAC/GMHC since the early nineties and continues her work at the Positive Living Centre. Pat is intelligent, capable, dedicated, personable and is quick on her feet, with a sensible response in all circumstances. She is capable of handling anything!

As an Operations volunteer Pat provides in house domestic support and ensures PLC programs, activities and services run smoothly. She has worked in other similar roles within the organisation and never ceases to amaze us with her ability to make people feel comfortable and safe. Pat mentors new volunteers and is always keen to assist in new endeavors. She possesses an innate ability to be sensitive to the needs of members and is skilled at talking and sensitively listening to people, referring where appropriate.

When Pat first began volunteering with us it was a time of uncertainty--many people living with HIV/AIDS suffered from poor health with few treatment options and the role of volunteers was very different. Pat's involvement in the care and support of the community has been steadfast and her ability to adapt to the changing needs and the evolving environment has been of great benefit to VAC/GMHC and those who access its services. Pat brings her unique attributes to our community and our organisation and we thank her for her extraordinary contribution.

### Life Membership--Mark McGill

Mark McGill has been the VAC/GMHC Treasurer since November 2003 and in those five years has made a significant contribution to the organisation. There have been financially constrained times for VAC/GMHC and Mark has worked closely with the auditor, the Board, the management team and the Finance and HR staff to refine both the budgeting process and the monitoring and reporting process, enabling the Board to make strategic financial planning decisions in this environment. Under his leadership as Treasurer we have revised our accounting structure, reconfigured our banking to maximise our income from interest, taken a strategic approach to accounting for our major asset--the Claremont Street building--and made appropriate provisions for the future maintenance of that asset, and changed the way in which we report financially to members to increase transparency. Mark has also played a major role in the revitalisation of our fundraising program as a member of the Fundraising and Marketing Committee. At a time when many community organisations have found it difficult to recruit and retain an appropriate Treasurer, we have been fortunate indeed that Mark has remained willing to drive from Geelong several times a month for Board and committee meetings. This award of Life Membership recognises both the quality and the quantity of Mark's work for us.



## VAC/GMHC would like to thank

- / 1st Asia Pacific OutGames
- / 56 Porter Street Sauna
- / Abode Nightclub
- / Adam Hamilton
- / Adam Wright
- / AFAO
- / AIDS Housing Action Group (AHAG)
- / AIDS Trust of Australia
- / Alan Street
- / Alfred ID Social Work Team
- / ALSO Foundation
- / Andrew McKinnon Presentations
- / Andrew McManus Presents
- / ANZ Bank
- / ARCISHS
- / Arts Access
- / Astor Theatre
- / Australian Ballet
- / Australian Centre for the Moving Image
- / Australian Dancing Society
- / Australian Open
- / Australian Shakespeare Company
- / Baden Chalmers
- / Bay City Seaford Sauna
- / Best Bookshop
- / Bell Shakespeare Company
- / BeyondBlue
- / Beyond Dance Party
- / Bnews
- / Boroondara Volunteer Resource Centre
- / Burnet Institute
- / Bandprint
- / Brian Price
- / Cath Hill
- / Catholic AIDS Ministry Committee
- / ChillOut Festival
- / Circus Oz
- / City of Melbourne
- / Club 80
- / Club Spa Caulfield
- / Colin Krycer
- / Consumer Credit Fund
- / Country Awareness Network (CAN)
- / Dainty Consolidated Entertainment
- / David Manadue
- / David McCarthy
- / David Williams Field Commission
- / Disability Attendant Support Service Incorporated (DASSI)
- / Donald Humphries
- / Doro Beecher
- / Douglas Helgate
- / Dr Greg Murray
- / Dungeon Warehouse
- / Eagle Leather
- / Elizabeth Watts
- / Frankston Arts Centre
- / Galactic Cinema
- / Gay and Lesbian Health Victoria
- / Gel Works
- / Global Science
- / Glyde Sexual Health
- / Greg Carter
- / Greg Dyett - SBS Radio
- / Hedges Maze
- / Heidelberg Theatre Company
- / Her Majesty's Theatre, Ballarat
- / HIV Consultancy
- / HIV, Hepatitis & STI Education and Resource Centre
- / Hipocotch
- / Imax Theatre
- / Jasper Roward
- / Janet McLeod
- / Jen Allen
- / John Fowler
- / JOY Ball
- / Judy Flocker
- / Liz Crook
- / Lou Kirven
- / Louise Naughton-Smith
- / MAC AIDS Fund
- / MAC Cosmetics
- / MAD PH
- / Manark printing
- / Marg Hayes
- / Marantha Fadalie
- / Manner Theatre
- / Martin Pfeffer
- / Martin Watts
- / Maureen Plain
- / Mercedes-Benz
- / McPherson Inc Pty Ltd
- / MCV
- / Melbourne Fringe Festival
- / Melbourne International Arts Festival
- / Melbourne International Comedy Festival
- / Melbourne International Flower and Garden Show
- / Melbourne International Jazz Festival
- / Melbourne Open Film Festival
- / Melbourne Riotous Band
- / Melbourne Sexual Health Centre
- / Melbourne Symphony Orchestra
- / Melbourne Theatre Company
- / Melbourne Zoo
- / Melbourne's Dirty Bad Boys
- / Metlink
- / Michael Coppal Presents
- / Mtsamma Festival
- / Musica Viva
- / NAB
- / Nalia Burk
- / National Australia Bank
- / National Centre for HIV Social Research
- / National LGBT Health Alliance
- / National Theatre
- / NICHECR
- / Noale Warrington
- / Nick Warr
- / Night Managers
- / Old Melbourne Gold
- / Opera Australia
- / Okum Den
- / Outreach Project Volunteers
- / Or Shovitor Carers/Equality Fights AIDS
- / Palace Cinemas
- / Palace Theatre
- / Patrick McGuire
- / Peer Education Facilitators
- / Peer Support Volunteer Facilitators
- / Peninsula Cinema
- / Peter Nicoll
- / PLWHA (VIC)
- / PLWHA Vic Partner Speakers Bureau
- / Positive Women Victoria
- / Pride March Victoria
- / Puffing Billy Steam Railway
- / Quilt Project
- / Rebecca Matheson
- / Richard John Schultz
- / Richard Watts
- / RiverCruz
- / Royal District Nursing Service (RDNS)
- / Royal Melbourne Hospital
- / Royal Melbourne Show
- / Safe sex packing volunteers
- / SAK Health Care
- / Scootarama
- / Sharon Horne-Hallock
- / Sidetracked
- / Circuit
- / Sir Big Sport Daws
- / Snow Dolphin
- / South East Centre Against Sexual Assault-Carver Knott
- / St Kilda Film Festival
- / Staying Negative volunteers
- / Steamworks Sauna
- / Straight Arrows
- / Subway Sauna
- / Supported Housing Ltd
- / Tanning Choices
- / Susan Clark
- / Ten Plus Club
- / The Alfred Hospital
- / The Colonel & Tracey
- / The Elton John AIDS Fund
- / The Famous Grouse
- / The Grande Boutique Hotel, Heuborn Springs
- / The Land Hotel - Brent & Mars
- / The Market Hotel - John Walk & Spinnery
- / The Peel Dance Bar
- / The Productive Company (Peel Foundation)
- / Tokos
- / Thom Scott
- / Trevor Jacobson
- / Trevor Williams
- / Vic Film
- / Victoria Police Guy & Lesbian Liaison Officers
- / Victoria Racing Club
- / Victorian Arts Centre
- / Vietnam Infectious Diseases Service (VIDS)
- / Victorian Opera
- / Village Cinema
- / Wet On Wellington Square
- / WoodClub
- / Yarra Valley Railway



