

# VAC/GMHC 2011-12

Victorian AIDS Council / Gay Men's Health Centre



Susan Clark, VAC/GMHC  
volunteer since 2004

## LEADING OUR COMMUNITY IN THE FIGHT AGAINST HIV/AIDS AND STIs

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 HIV epidemic to an end.

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# PRESIDENT'S REPORT



**KIRSTEN MACHON,  
VAC/GMHC PRESIDENT**

**When I was asked by the community publication *MCV* what VAC/GMHC should be most proud of in its 29 year history, my answer was "The many staff and volunteers who, over nearly three decades have shared one thing in common: they have never stopped believing in the possibility of a future without HIV".**

As I write this, VAC/GMHC is preparing to document its amazing 30 year history. The past year, however, has been 'future focused'. While we cannot yet say that the immediate future promises a world without HIV, we can at least now talk of this possibility. New treatments being trialed have the potential to have the most impact yet: the eradication of latent HIV from resting cells. If this were to work it could see the end of treatment approaches that require a lifetime's commitment to daily treatments that suppress HIV. There is some way to go before we start talking of 'cures', but the concept is certainly promising.

There are new technologies profoundly changing how we think about preventing HIV, both in Australia and throughout the world. In June 2011, the United Nations adopted ambitious targets: to halve sexual transmission and to get as many people as possible on lifesaving antiviral drugs. This was spurred by the scientific consensus that treating HIV effectively is a direct means to preventing its transmission.

New technologies – including rapid testing – are expected to be an important part of the global and Australian response to the epidemic. VAC/GMHC has lobbied hard for a trial of rapid testing in a community based setting. We believe access to this kind of testing will encourage more people at risk to be tested for HIV, and to be tested more regularly. In a community based setting we can ensure people with a new diagnosis have all the assistance required -

**“WHILE WE CANNOT YET SAY THAT THE IMMEDIATE FUTURE PROMISES A WORLD WITHOUT HIV, WE CAN AT LEAST NOW TALK OF THIS POSSIBILITY.”**

both in regard to treatment options and any other support needed. We have worked with The Burnet Institute, The Australian Research Centre in Sex, Health and Society, Melbourne Sexual Health Centre, and PLWHA Victoria to keep this topic on the agenda of the State Government and Health Minister.

As we worked through our strategic planning process, there was never a doubt that even with all these developments, HIV would remain the focus of our work. This focus is just as important for Victorians living with HIV that VAC/GMHC supports through its diverse services: from in-home support to counselling; from social support to the Centre Clinic. Whilst these supports are as needed now as they ever were, we can shape them into services for the future, to help meet the many and changing needs of HIV positive people. We have identified particular needs for people living with HIV as they age, and support social and clinical research being done in this area.

Effectively responding to HIV in our community also means understanding and addressing the reasons people may be at risk of HIV and other STIs. We made it a central focus of our strategic planning process to understand how VAC/GMHC might use its influence, resources, staff and volunteers to help identify some of the reasons along with how we might work with communities to improve their health. Health is inseparable from justice, from support, from friends and family, and from connection back to communities. This is always worth saying out loud, and it is this faith that has inspired staff and volunteers for 30 years.

Among the hardest working volunteers at VAC/GMHC this year have been the members of the Board. I highly praise the work of this small but incredibly industrious group of volunteers as they have tirelessly invested time, energy, and their considerable intellectual capacities. Most importantly, they have invested their care for and knowledge of the communities living with and affected by HIV, into the organisation. They are an inspired group and have created a real vision for VAC/GMHC.

# EXECUTIVE DIRECTOR'S REPORT

MATT DIXON, VAC/GMHC EXECUTIVE DIRECTOR

**As I write this I have been with VAC/GMHC for a little longer than a year. During my first year, I made some changes and adjustments, with a view to improving quality and reach of services wherever possible.**

My emphasis has been on ensuring we are a learning organisation that recognises we can only be as good as our people. They must be properly trained, supported and focussed on what matters most. I have avoided major structural changes in order to honour the outcomes of our strategic planning process, which will be complete by the end of 2012.

Thanks to our wonderful team of staff and volunteers who work tirelessly to limit the impact of HIV on the Victorian community. Managers' reports show some of the detail of that work.

Broadly speaking we address HIV in two ways – by providing support and care for those living with HIV and by working to prevent transmission of HIV.

We are always looking to provide useful services for those community members who have been particularly adversely affected by HIV, but to also provide meaningful services for those who have been diagnosed early and who are managing better treatments without enormous difficulty – the majority of people who are living well with HIV.

Regarding our prevention work – we strive to limit the impact of HIV by keeping up with developments in the field of prevention and health promotion and making sure our work stays current. We monitor and respond to changes in the epidemic so our efforts are placed where they are most beneficial. Evaluation is a big part of this. We also stay in touch with the community that is our reason for being, so our work stays relevant.

In the work that we do, relationships are extremely important. HIV is determined by many things including education, social exclusion, poverty, stigma and discrimination and mental health issues. We are always looking to extend and improve our relationships so we can best address HIV in the broader social context. We have been working with various partners in the fields of law, employment, human rights, education and others to make the best use of our resources.

I am pleased to report that our relationships with other organisations are healthy and productive, as are our connections to the Victorian Government and the Department of Health – our major funder.

As I write this I am still reflecting on the recent 2012 International AIDS Conference held in Washington DC. Many leaders in Washington were telling

us that we are at a defining moment in the epidemic, with new knowledge promising more effective prevention outcomes through best use of testing and treatment. At the coalface, while we completely welcome advances towards an end to HIV, we recognise that we are running a marathon, not a sprint. We must stay focussed.

In 2014, when the International AIDS Conference takes place in Melbourne, we will be looking for many types of help and input. This will be to ensure that we



**“AT THE COALFACE, WHILE WE COMPLETELY WELCOME ADVANCES TOWARDS AN END TO HIV, WE RECOGNISE THAT WE ARE RUNNING A MARATHON, NOT A SPRINT.”**

can exploit the opportunities the conference brings to help us intensify our response to HIV. We must also make sure that we continue to deliver on our ongoing prevention, support and care responsibilities. It will be very much ‘all hands on deck’.

I’d like to thank the VAC/GMHC Board, led calmly and intelligently by Kirsten Machon. It is a hard working and highly engaged team and it is a pleasure to work with them.

I extend my heartfelt thanks to our management team and to our entire staff and our wonderful volunteers. Much change is taking place and this will continue as we strive to remain relevant and effective. In last year’s annual report I said that I was excited to be leading this special organisation into the next chapter of its rich history. One year on and I’m thrilled to say that the journey is stimulating and rewarding. I hope that you agree, whatever your role in relation to VAC/GMHC.

VAC/GMHC is a wonderful community based organisation and I feel most privileged to be here. Thank you!

**"NO MATTER HOW STRONG AN ORGANISATION IS IN TERMS OF STAFF, VOLUNTEERS AND RESOURCES, SOLID GOVERNANCE STRUCTURES ARE ALWAYS ESSENTIAL."**



# BOARD REPORT

**The past 12 months have seen us focus on the strategic plan for VAC/GMHC and the Board has led this with tremendous energy. We set out to make the process as consultative and accessible as possible and hope that the consultations have been meaningful for all who took part. We further hope they provided an opportunity to renew and re-energise relationships with us.**

We invited members and volunteers to attend forums that we ran – some participants have a longstanding connection with us, others have been more recently involved. We conducted two online surveys: one to get a sense of how communities currently engage with us and a second to get general feedback on the options we were considering for the coming five years.

No matter how strong an organisation is in terms of staff, volunteers and resources, solid governance structures are always essential. A major task of the Board over the past year has been to undertake a thorough review of our governance and ensure we are prepared as we move into our new plan. As part of this process, we have not only modernized certain policies, we have identified a number of changes to the Rules (to be voted on at the 2012 AGM). It has been revealing and engaging work and we believe the outcomes are going to be rewarding for everyone involved with VAC/GMHC – from long term staff through to the communities we plan to work and engage with over the next five years.

It was recognised that VAC/GMHC has traditionally not worked with certain communities in previous strategic plans. On this occasion however, we sought to change this and actively pursued representatives from those communities and invited their input. Some of these included: sex and gender-diverse communities; lesbians with expertise in service provision and the health needs of lesbians; and organisations representing new immigrants, refugees, and African communities.

We received an enormous amount of feedback regarding how VAC/GMHC's services are used, and how they might be improved. A very strong message was "Don't lose sight of HIV". We thoroughly agree, and over the next five years we are going to focus our work on significant developments in treatments, testing and service needs. There was an encouraging new message too: VAC/GMHC has some valuable resources, and these could be put to good use to ensure that we are looking beyond HIV – to some of the important health issues prevalent for gay, bisexual, lesbian and trans people. We plan to do this in partnership with those already doing sterling work in these areas, as we do not wish to duplicate work that is already being done well. In this process however, we have learned a lot about the ways in which we can work with sexually and gender diverse communities to improve health outcomes, and this in itself will help address HIV.



This year we also changed the focus of our Finance Committee to extend its brief to oversee organisational risk. The newly named Finance and Risk Committee has commenced a process of reviewing risk across all VAC/GMHC operations. The Board also asked the Finance and Risk Committee to look at ways VAC/GMHC could diversify its income stream, thus providing funding for the directions our new strategic plan may take us in the future. VAC/GMHC remains in a strong financial position thanks to the sound financial management of the Board and staff – both previously, and today.

With the announcement that Melbourne will host the 2014 International AIDS Conference, we are extremely pleased to have spent this time exploring what we do well along with how we can do things better, or just differently. Board members have brought a great range of skills: governance, financial management, service provision, communication, policy development, and medical knowledge. Additionally, Board members have firm experience of working with communities living with HIV, along with a deep knowledge of the epidemic in Victoria and nationally.

Next year is our 30th anniversary. We are planning a significant celebration in July 2013, and have engaged history consultants, *Way Back When*, to help us produce a website and a book to document our history. The website will allow people to share their own stories and memories of volunteering or working for VAC/GMHC and these will be captured in both video and audio. We hope the book will be a testament to an organisation that has played an indispensable role in the epidemic for thirty years: by providing care, support and information to many people living with HIV, and preventing the infection to individuals who might have otherwise been at risk.

**"BOARD MEMBERS HAVE BROUGHT A GREAT RANGE OF SKILLS: GOVERNANCE, FINANCIAL MANAGEMENT, SERVICE PROVISION, COMMUNICATION, POLICY DEVELOPMENT, AND MEDICAL KNOWLEDGE."**



**THE 2011/12 VAC/GMHC BOARD**

Standing, L-R: Chrissie Feagins, David Menadue, Kirsten Machon, Campbell Smith, Michael Williams.  
Seated, L-R: Mitchell Chipman, Greg Carter, Matt Dixon.  
Absent: Dominic Smith.



## COUNSELLING SERVICES

CHRISTINE BARCA, COUNSELLING MANAGER

**During this reporting period we provided 3,122 counselling sessions, 64 therapeutic group sessions, 166 duty contacts and have had 29 volunteers support our work.**

This year we have focused on implementing a new model for the Counselling Program, after an independent sector review was conducted by Kathy Wilson Consulting. One of the objectives of this model is to increase service capacity. In brief, the model offers a limited number of counselling sessions for clients. In the first of six sessions, the Counsellor establishes goals with the client. If called for, a further block of six sessions is provided and this process continues

to a maximum of eighteen sessions. However further sessions may be provided beyond this, in certain circumstances.

To support the new model we have conducted several training sessions for the Counsellors including specific training on: solution focused therapy, acceptance and commitment therapy, and creative and practical ideas for achieving change. Additionally, we have undertaken a recruitment process for the external clinical supervision team and now have a new team of supervisors who are supporting the staff through the transition to the new model.

Further to providing individual and couples counselling we have conducted a number of therapeutic groups. These have included a group for people living with anxiety, and a group for people living with HIV who were diagnosed prior to the introduction of antiretroviral medication. We are in the process of developing a group for members of the GLBTIQ community who want to understand the impact of queerphobia. Other groups that continue to run successfully are: Inside Out, a body image group for men who have sex with men (MSM); ReVisioning, a group for MSM who are perpetrators of violence in their relationship; and Tossing and Turning, a group to support MSM living with insomnia.

Counselling staff have conducted training sessions in various community organisations in an effort to raise awareness about people living with HIV, especially in the GLBTIQ context. Our already solid working relationship with PLWHA Victoria has been further strengthened with our ongoing involvement in their Phoenix workshop. This perennially popular workshop is dedicated to same sex attracted men who have been diagnosed HIV positive within the past two years.

Another focus of our work has been accessing members of the CALD community. This has been possible through our team members who work in the West and in collaboration with a host of organisations: Foundation House, Multicultural Health and Support Service, Western Region Health Centre, Straight Arrows and Positive Women. All of these organisations have made significant contributions

**“COUNSELLING STAFF HAVE CONDUCTED TRAINING SESSIONS IN VARIOUS COMMUNITY ORGANISATIONS IN AN EFFORT TO RAISE AWARENESS ABOUT PEOPLE LIVING WITH HIV, ESPECIALLY IN THE GLBTIQ CONTEXT.”**

to our progress in this area. Our participation in residential retreats hosted by Straight Arrows and Positive Women further strengthen these ties.

I am so grateful to be supported by an excellent team of both employees and volunteers. I wish to acknowledge their contributions to our service and thank them for their commitment to the organisation and the clients we serve.

# HEALTH PROMOTION

## COLIN BATROUNEY, HEALTH PROMOTION & POLICY MANAGER

**Over the past year there has been an enormous amount of interest, debate, argument and discussion around the concept of a 'Prevention Revolution'.**

The specific components of this 'revolution' are comprised of a suite of bio-medical and behavioural interventions. Put simply, they include:

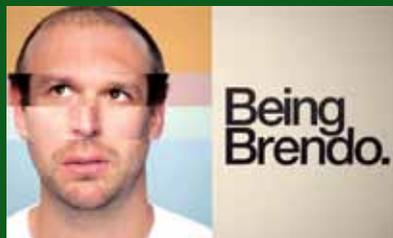
- ▶ The widespread availability of HIV rapid testing technology
- ▶ Access for HIV positive people to antiretroviral drugs regardless of CD4 count
- ▶ The active deployment of undetectable HIV viral load as a preventive measure against onward transmission
- ▶ The provision of pre-exposure prophylaxis (PrEP) for HIV negative people as a safeguard against HIV infection

It will come as no surprise that some of these initiatives are controversial and all of them would require regulatory change, policy shifts, Therapeutic Goods Administration approval and a great deal of complex, multi-layered health promotion to achieve appropriate implementation. On the positive side, the 'prevention revolution' will provide us with a number of new and very powerful tools to enhance our prevention efforts in the near future.

Last year marked a further development within the Health Promotion Program as we concentrated more fully on initiatives that were not primarily print based. In addition to the websites that support campaigns such as The Drama Downunder, Staying Negative, Protection, Wherever Sex Happens and Down an' Dirty, the Drama Downunder website now offers SMS messaging and partner notification functions. Meanwhile, the Staying Negative campaign has had a significant presence in social media, in particular Facebook. This has resulted in a 300 percent increase in website traffic with over 33,000 unique visitors to the site.

### PROJECT HIGHLIGHT: BEING BREND0

Building on six successful seasons of *Queer as Fxxk*, VAC/GMHC's innovative social media based web series, the Health Promotion Program has rebranded the project to *Being Brendo* for 2012-13. Stay tuned for series seven in the year ahead.



“... THE ‘PREVENTION REVOLUTION’ WILL PROVIDE US WITH A NUMBER OF NEW AND VERY POWERFUL TOOLS TO ENHANCE OUR PREVENTION EFFORTS IN THE NEAR FUTURE.”



Our web series Queer as Fxxk (QAF) has continued and last year saw us produce the sixth series of the online drama. There are over 100 different video episodes on the QAF Facebook page and YouTube channel. The episodes continue to focus on sero-discordant relationships, drug and alcohol issues, coming out, homophobia and safe sex. Our fan base is continually expanding with over 6,000 'likes' and over 3,000 regular monthly viewers who also provide us with instant feedback on the issues that are raised by the show.

In addition, the Peer Education Program continues to expand its work in a variety of ways including:

- ▶ Increasing partnerships with various youth groups, such as Minus18, YGender and Prism10, and providing support in producing resources and attending youth events
- ▶ Strengthening the relationship with Rainbow Network Victoria by hosting professional development workshops for professionals working with same-sex attracted, sex and gender diverse young people
- ▶ Continuing partnerships and providing support for various multicultural GLBTIQ organisations, such as Australian GLBTIQ Multicultural Council, Greek and Gay Group, YellowKitties, Queer Muslim Australia and Helem Melbourne (Arab Gay Group)
- ▶ Delivering Peer Education Facilitator training and the commencing of a bimonthly workshop for gay, Asian men: Talk Asian

The Outreach Project has continued to recruit, train and support over 20 core volunteers who continue their weekly presence in sex on premises venues and online. The volunteers conducting the outreach have reported that gay men in venues and online have been raising issues related to new prevention technologies such as rapid testing and PrEP.

There have been many developments in the field of prevention over the last 12 months and it would appear that the community, the Health Promotion Program and the organisation as a whole are poised to meet the challenges that the future will bring.

**"THE COMMUNITY, THE HEALTH PROMOTION PROGRAM AND THE ORGANISATION AS A WHOLE ARE POISED TO MEET THE CHALLENGES THAT THE FUTURE WILL BRING."**

**BEHIND THE SCENES,  
BEING BREND0 SERIES 6**





## HIV SERVICES

JOHN HALL, HIV SERVICES MANAGER

**2011-2012 saw the Program celebrate ten years of operation at the 'new' Positive Living Centre (PLC) in Commercial Road.**

Over that decade the services have continued to grow in response to the changing needs of people living with HIV and the last twelve months have been no exception. This reporting period has also seen us celebrate 21 years of our partnership with the Royal District Nursing Service (RDNS) which provides a client focused, integrated service model.

We have continued to strengthen existing relationships, forged new partnerships, expanded certain services, evaluated or reviewed others and

branched out into new territories. This is all to better meet the needs of our diverse clients, and to reflect that diversity in our services. Our clients represent a broad population: old, young, women, men, transgendered, straight, gay, indigenous, those from culturally and linguistically diverse backgrounds, those living with a range of co-morbidities and many who are socially isolated. Our inspirational art class is an example of where this diversity intersects.

In the continuum of care we are proud to play our role by actively engaging with our partners and working towards reducing isolation, ignorance, stigma and discrimination. We enhance skill development, offer practical assistance, educate other services and provide a safe and supportive environment for all. We could not operate without the dedication of our volunteers who provide many of the services that we deliver.

### **THE DAVID WILLIAMS FUND (DWF)**

This year, the Financial Counselling and Referral Service has assisted over 100 clients to improve their financial situation. The services include training in budgetary skills, debt negotiation, advocacy and tips on consumer rights and responsibilities. The increase in requests for financial counselling has highlighted our clients' needs for longer term solutions, where they are empowered to manage their own financial affairs rather than rely on financial grants.

Our Study Assist Project has helped nearly 40 clients with education fees and we emphasise the benefits of education and training as a way of providing further options for clients. New skills and networks can lead to increased employment opportunities and an improved sense of purpose.

**"DWF SERVICES INCLUDE TRAINING IN BUDGETARY SKILLS, DEBT NEGOTIATION, ADVOCACY AND TIPS ON CONSUMER RIGHTS AND RESPONSIBILITIES."**

The Financial Assistance Service has received over 1,000 requests during the past year. A total of \$100,000 has been granted, with funds dispersed across a range of areas, including food vouchers, rental assistance and medical fees.

Our association with the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) recently saw a three year allocation of funds which is dedicated to supporting people living with HIV/AIDS who are at risk of homelessness. Our partnership with Telstra has generated financial support for bills associated with communication and engagement.

Most importantly we continue to benefit from the very generous support of MAC Cosmetics which underpins all that DWF offers. We quite simply could not maintain our high level of care and support without them.

**"WE ADVOCATE ON BEHALF OF THOSE  
NEGOTIATING THE MAZE OF CLINICAL  
AND COMMUNITY SERVICES."**

## **IN HOME SUPPORT**

This reporting period has seen the In Home Support residential service continue to offer housing, case management and paid attendant care to a diverse client group with complex needs. This service now supports 26 clients. In early 2012 a consultant was engaged to review the model and it was determined that operating the service with just one staff member was not viable in the long term. To ensure the service remains a key part of HIV Services, we increased staffing levels to the equivalent of two full time staff. This has increased our capacity to monitor client issues, manage their complexities, and to advocate on behalf of those negotiating the maze of clinical and community services.

## **POSITIVE LIVING CENTRE**

New partnership agreements have been forged with two employment services – SensWide and WISE – focusing on two client groups: those living with HIV and the GLBTIQ community. These have proven to be very successful as both provide services *from* the PLC. Consequently, we have many clients returning to work and being actively supported through that transition by the employment officers.

We have introduced a Mental Health Support position thanks to a grant from MAC Cosmetics which has enhanced our capacity to service complex clients. The position also serves as a resource for all the services emanating from the PLC and complements GROW, our successful peer mental health group.

We continue to work with the City of Stonnington on issues of HIV and ageing, mental health and GLBTIQ services provided by the council. We also advise on their personal carer training.

Our relationships with Positive Women and Straight Arrows continue to grow as we explore further opportunities for women and build upon the success of our Women's Day, as well as assisting with the development of the My Journey kit, for newly diagnosed women. In addition, we have been engaged with the staff selection process for both of these organisations.

Nutritional services remain a focus at the PLC with an emphasis on fresh fruit and vegetables and whole foods being prepared by our new cook, Ram.

Our continuing collaboration with People Living with HIV/AIDS Victoria (PLWHA Victoria) and Hepatitis Victoria has been invaluable in developing strategies to respond to those newly diagnosed with HIV via the Phoenix workshop, as well as promoting peer groups for those also living with Hepatitis C.

The HIV Advisory Committee is now complemented by the establishment of the Consumer Reference Group to enhance the role of PLHIV in the life of the Program. Indigenous, CALD, young, heterosexual, homosexual and female populations are now represented.

## COMMUNITY SUPPORT

Providing volunteer services to socially isolated clients continues to be the hallmark of our work in Community Support. This has been further developed this year by a unique community, clinical and corporate partnership. A new initiative, Tuckerbag Meals, is a joint project with the Royal District Nursing Service focusing on the nutritional needs of CALD and isolated clients. NAB volunteers pack food and recipes, which are delivered to clients' homes by Community Support volunteers.

Beyond improved nutrition, the service also promotes social connectivity and encourages clients to link to other volunteer support services. The project has been highlighted at national and international conferences as an example of what can be achieved by effective volunteer roles when they are responsive to the changing needs of clients living with HIV.

Transport to medical appointments and volunteer support from seven teams around Melbourne continues to be the focus of Community Support. The biggest challenge over the past year has been the growth in support needs of ageing and frail clients.



### VOLUNTEER PROFILE: KIM MILES

"I volunteered with VAC/GMHC because of my desire to help people, using my nursing and customer service backgrounds, and I feel lucky and grateful to have had the opportunity.

I would love to continue to be a part of the organisation - it's been a joy to meet the clients and staff and I have received far more than I have given."

## HALC

The HIV AIDS Legal Centre (HALC) has been providing legal advice to people affected by HIV/AIDS since 1993. It depends on the generous commitment of many volunteers, providing the service once a week at the PLC. It is the only non Government funded legal centre in Victoria. Over the past year, HALC has engaged the services of 11 volunteer administrative personnel and 10 volunteer lawyers, who have seen 48 new clients. Volunteers spent 222 hours with clients at the PLC and there were many additional hours in which lawyers saw clients privately at their place of practice, or provided phone advice or a referral to another service. HALC services cover a range of areas including wills, powers of attorney, criminal law, family law, superannuation, discrimination and immigration.

**"IT CERTAINLY FEELS AS THOUGH THE CENTRE CLINIC IS EXPERIENCING A RENAISSANCE. OUR STAFF HAVE EMBRACED CHANGES AS THEY HAVE OCCURRED AND CONTINUE TO DO SO."**



# THE CENTRE CLINIC

## SIMON POWELL, PRACTICE MANAGER

**The last year has seen The Centre Clinic experience the most significant period of change since moving from its old site in Acland Street, 10 years ago.**

The changes have affected all aspects of the Clinic's operation – clinical, staffing and process functions have all undergone review and renewal and have placed the service in a robust position for future service delivery. We have also replaced the furniture and artwork in the waiting room which now provides the space with a comfortable and contemporary feel.

In March 2012 the Clinic was accredited against the RACGP Standards for General Practice. This accreditation process was mandatory for us to continue functioning as a General Practice and fortunately we passed with ease. This now means that we have access to several new Medicare funding streams, in particular the Practice Nurse Incentive Programme. It has also allowed us to become accredited as an Extended Skills Training Post with the Victorian Metropolitan Alliance – an organisation that promotes and organises placements for trainee GPs. This has the potential to have a positive impact on the Clinic through the recruitment of GP Registrars into six month positions as these doctors will, we hope, embark upon a specialist career in HIV.

The appointment of Simon Powell as Practice Manager in April 2012 allowed for some dedicated time to focus on a process of strategic development at the Clinic alongside the VAC/GMHC strategic planning process. Mentored (pro bono) by Certified Practising Accountant Glenn Pannam, Simon has costed various service development initiatives for consideration by the Board. The next few months will see the implementation of these initiatives, which are forecast to place the Clinic in an improved financial position.

We will also employ another Practice Nurse, Doctor and a Psychologist. These additional staff members will enable us to expand preventative care initiatives, augment mental health services and begin seeing new clients again, for the first time in several years. The Centre Clinic has been unable to accept new, HIV negative patients due to the demand for medical appointments exceeding capacity. We look forward to being in a position to change this.

It certainly feels as though the Centre Clinic is experiencing a renaissance. Our staff have embraced changes as they have occurred and continue to do so. We look forward to the next chapter in the life of this highly regarded service.

# STRATEGIC DEVELOPMENT & ALLIED SERVICES

## FIONA TUNLEY, STRATEGIC DEVELOPMENT & ALLIED SERVICES MANAGER

**Business and strategic program areas of most organisations often have less of a profile than the more visible service provision areas but these can be the quiet achievers, as is the case for the SDAS Program. Excitingly however, the profile of the Program is lifting as this year its work has been able to grow significantly.**

SDAS continues to provide exceptional support and guidance to whole-of-organisational growth, development and operational needs. This includes (but is not limited to): strategic planning, internal policy development, volunteer coordination, HR coordination, executive support to the Board, and IT management including our web and social media presence.

### WEBSITE AND COMMUNICATIONS

Both internally and externally, new technologies have been embraced that allow us to have wider reach and also to gain feedback from the communities we serve. These technologies include broadcasting tools for newsletters and invitations, through to social media interactions. The intranet is now a firm fixture across all sites, and great conversations and collaborations have occurred as a result. A concerted effort has been made over the past 12 months to bring further consistency to the organisation's branded materials, particularly with regard to brochures and other printed resources. This process will continue with the broader branding review occurring in 2012-2013.

### HR

It is with enthusiasm that we announce our first Human Resources appointment for VAC/GMHC. A key focus of this appointment is to guide and facilitate best practice processes, support and supervision systems, recruitment and induction, occupational health and safety and communication processes.



### VOLUNTEER PROFILE: PHILIP SEARLE

"Throughout my time at VAC/GMHC I've learnt that volunteering is not just about helping others, it's about helping a community. To me, this place is a community hub. It's a source of community support providing recreational, educational, health and social relief. It's a place where everyone can belong."

**“BOTH INTERNALLY AND EXTERNALLY, NEW TECHNOLOGIES HAVE BEEN EMBRACED THAT ALLOW US TO HAVE WIDER REACH AND ALSO TO GAIN FEEDBACK FROM THE COMMUNITIES WE SERVE.”**



**"VAC/GMHC IS COMMITTED TO  
ENSURING A WELL RESOURCED, SAFE  
AND CULTURALLY HAPPY WORKPLACE."**

For some time now, we have relied heavily on the input of many people across the organisation to take up HR responsibilities. We acknowledge and thank everyone who did this additional work in the absence of an HR specialist. After careful analysis and consultation with VAC/GMHC employees, we have been able to identify key areas that need addressing. Accordingly, the first task that has been created is a HR operational plan for the next two to three years. This HR plan has been based on a foundation mission: 'To enable our people to effectively, empathically and efficiently support and service our clients and community.'

From this, various HR practices have been identified which include (but again, are not limited to): defining our culture and values, creating robust and intelligent policies, understanding workplace legislation and employment conditions, training and development. These will be some of the key areas that we will focus on over the next two years.

### **OCCUPATIONAL HEALTH AND SAFETY**

In 2012, 60 percent of staff participated in Work Health Checks through WorkSafe Victoria and this allowed VAC/GMHC to apply for a \$5000 grant which we were successful in obtaining. The grant will allow the organisation to develop a health and wellbeing program which may cover nutrition, physical activity or mental wellbeing in the workplace.

VAC/GMHC is committed to ensuring a well resourced, safe and culturally happy workplace and is therefore enthusiastic about having up to date OH&S and related policy, and internal supportive infrastructure and systems in place.

### **VOLUNTEERS**

Without volunteers VAC/GMHC would not be what it is today. As a volunteer organisation, built from their hard work, we continue to thank our many volunteers for their continued support. This year, 282 dedicated individuals gave their time freely across all areas of the organisation, including 50 volunteers who joined us this year – to them we say welcome and thank you. We also acknowledge the amazing dedication of our longstanding volunteers, some of whom have been with us for more than 20 years.

Our corporate volunteering program continues to grow with over 200 employees from NAB, ANZ, The Body Shop, Yarra Valley Water and Hewlett Packard working on projects for Community Support, Fundraising and Health Promotion. Year 9 students from Lilydale High School also assisted this year with red ribbon production and making safe sex packs.

## SOCIAL MEDIA

This year we expanded our use of social media to enhance our accessibility to, and connection with, our many stakeholders. While we have used social media in the past, this year we have worked to provide an additional entry point into VAC/GMHC. This expansion of our work is in addition to the social media work already done by Health Promotion.

Primarily using Facebook and Twitter, stakeholders can contact us to find out more information about our services, ask about HIV or other health matters, provide feedback and so on. Where appropriate, this is followed up by a staff member, thereby facilitating an interaction with someone who may not otherwise be in contact with us. For social media to be effective we believe our responses must be timely. Therefore, all contact via social media is responded to within one business day, usually less.

Social media has provided an exciting, additional forum to engage, educate and entertain our stakeholders with a wide variety of content about HIV and the community. It also provides an opportunity for us to further promote and proudly display our work.

Catch up with VAC/GMHC: [facebook.com/VAC.GMHC](https://www.facebook.com/VAC.GMHC) [twitter.com/VACGMHC](https://twitter.com/VACGMHC)

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## FINANCE PROGRAM CARL FORTE, FINANCE MANAGER

In 2011-12 the Finance Program continued to successfully manage the financial and statutory requirements of VAC/GMHC. This was achieved predominantly through prudent cash flow management, ensuring not only the sustainability of current services but the opportunity to investigate new ones.

VAC/GMHC requires all staff to operate within the perimeters of specific budgets, fundraising objectives and funding obligations. Under the guidance of the Finance Program, staff have managed this successfully in this reporting period, thus ensuring the ongoing viability of the organisation both now and into the future.

## BOARD OF DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2012

Your Board of Directors submit the financial report of the Victorian AIDS Council Inc. for the financial year ended 30 June 2012.

### BOARD OF DIRECTORS

The names of the Board of Directors throughout the year and at the date of this report are:

Alec West, Chrissie Feagins, David Menadue, Greg Carter, Kirsten Machon, Matt Dixon appt Aug 2011, Mitchell Chipman appt Nov 2011, Dominic Smith appt May 2012, and Sam Venning appt Apr 2012.

Kevin Guiney res Oct 2011, Michael Williams res Jan 2012 appt Jul 2012, Mike Kennedy res July 2011, Mark McColl re Oct 2011, Kieran O'Loughlin appt Nov 2011, res Apr 2012, and Paul Kidd res Mar 2012.

### ATTENDANCE AT BOARD MEETINGS

| Board Member      | Meetings eligible to attend | Meetings attended |
|-------------------|-----------------------------|-------------------|
| Alec West         | 11                          | 10                |
| Chrissie Feagins  | 11                          | 9                 |
| David Menadue     | 11                          | 11                |
| Greg Carter       | 11                          | 11                |
| Kevin Guiney      | 4                           | 4                 |
| Kirsten Machon    | 11                          | 10                |
| Matt Dixon        | 10                          | 10                |
| Michael Williams  | 6                           | 6                 |
| Mike Kennedy      | 1                           | 1                 |
| Mark McColl       | 4                           | 0                 |
| Mitchell Chipman  | 7                           | 7                 |
| Kieran O'Loughlin | 5                           | 4                 |
| Dominic Smith     | 2                           | 2                 |
| Paul Kidd         | 8                           | 5                 |
| Sam Venning       | 3                           | 3                 |

### INCORPORATION

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

### PRINCIPAL ACTIVITIES

The principal activities of the association during the financial year were providing support, education, and advocacy for all those affected by HIV / AIDS, especially gay and bisexual men.

### SIGNIFICANT CHANGES

No significant change in the nature of these activities occurred during the year.

### FINANCIAL RESULTS

The profit for the year was \$33,226 (2011: \$121,988 profit) and 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.



Kirsten Machon  
President

South Yarra, 2 October 2012



Greg Carter  
Treasurer

### STATEMENT BY THE BOARD OF DIRECTORS FOR THE YEAR ENDED 30 JUNE 2012

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 28 to 36:

- a. Presents a true and fair view of the financial position of the Victorian AIDS Council Inc. as at 30 June 2012 and its performance and cash flows for the year ended on that date.
- b. 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 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:



Kirsten Machon  
President

South Yarra, 2 October 2012



Greg Carter  
Treasurer

## INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

|  | Note            | 2012             | 2011             |
|--|-----------------|------------------|------------------|
| <b>Income</b>  |                 | <b>\$</b>        | <b>\$</b>        |
| Bequests, fundraising & sales                                  |                 | 215,452          | 204,375          |
| Donations  |                 | 316,086          | 265,603          |
| Fees received  |                 | 537,860          | 585,581          |
| Grants received  |                 | 4,945,031        | 4,657,718        |
| Interest received  | 3               | 172,727          | 164,475          |
| Membership fees  |                 | 1,215            | 5,520            |
| Other income   |                 | 22,055           | 15,987           |
|  |                 | <b>6,210,426</b> | <b>5,899,259</b> |
| <b>Less:</b>   |                 |                  |                  |
| <b>Expenditure</b>   |                 |                  |                  |
| Advertising, campaign materials & photography                  |                 | 607,320          | 594,972          |
| Attendant care   |                 | 156,716          | 131,633          |
| Building maintenance   |                 | 136,209          | 103,753          |
| Consultants fees   |                 | 287,301          | 398,684          |
| Cost of sales  |                 | 208,487          | 174,350          |
| Depreciation   | 3               | 22,717           | 33,452           |
| Emergency relief grants  |                 | 73,502           | 77,380           |
| Interest paid  | 3               | 42               | 7                |
| Other operating expenses                                       |                 | 984,369          | 946,205          |
| Rental expense on operating leases:                            |                 |                  |                  |
| - minimum lease payments                                       |                 | 75,666           | 81,688           |
| Salaries, superannuation and on-costs                          |                 | 3,573,846        | 3,180,369        |
| Telephone  |                 | 51,025           | 54,778           |
|  |                 | <b>6,177,200</b> | <b>5,777,271</b> |
| <b>Profit after income tax</b>                                 | <b>1(e) / 3</b> | <b>33,226</b>    | <b>121,988</b>   |
| <b>Retained profits at the beginning of the financial year</b> |                 | <b>1,560,668</b> | <b>1,438,680</b> |
| <b>Retained profits at the end of the financial year</b>       |                 | <b>1,593,894</b> | <b>1,560,668</b> |

The accompanying notes form part of this financial report.

**BALANCE SHEET AS AT 30 JUNE 2012**

|                                  | Note | 2012             | 2011             |
|----------------------------------|------|------------------|------------------|
| <b>Current Assets</b>            |      | <b>\$</b>        | <b>\$</b>        |
| Cash and cash equivalents        | 4    | 393,604          | 697,637          |
| Short term cash investments      | 4a   | 2,648,550        | 2,385,745        |
| Trade and other receivables      | 5    | 403,844          | 257,887          |
| <b>Total Current Assets</b>      |      | <b>3,445,998</b> | <b>3,341,269</b> |
| <b>Non-Current Assets</b>        |      |                  |                  |
| Plant and equipment              | 6    | 194,232          | 183,440          |
| <b>Total Non-Current Assets</b>  |      | <b>194,232</b>   | <b>183,440</b>   |
| <b>Total Assets</b>              |      | <b>3,640,230</b> | <b>3,524,709</b> |
| <b>Current Liabilities</b>       |      |                  |                  |
| Trade and other payables         | 7    | 1,594,937        | 1,573,374        |
| Employee entitlements            | 8    | 346,457          | 298,382          |
| <b>Total Current Liabilities</b> |      | <b>1,941,394</b> | <b>1,871,756</b> |
| <b>Non-Current Liabilities</b>   |      |                  |                  |
| Employee entitlements            | 8    | 104,945          | 92,285           |
| <b>Total Current Liabilities</b> |      | <b>104,945</b>   | <b>92,285</b>    |
| <b>Total Liabilities</b>         |      | <b>2,046,339</b> | <b>1,964,041</b> |
| <b>Net Assets</b>                |      | <b>1,593,891</b> | <b>1,560,668</b> |
| <b>Members' Funds</b>            |      |                  |                  |
| Retained profits                 |      | 1,593,891        | 1,560,668        |
| <b>Total Members' Funds</b>      |      | <b>1,593,891</b> | <b>1,560,668</b> |

The accompanying notes form part of this financial report.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

|  | Note     | 2012             | 2011             |
|--|----------|------------------|------------------|
| <b>Cash flows from Operating Activities</b>                  |          | \$               | \$               |
| Receipts from members  |          | 1,215            | 5,520            |
| Core funding grant receipts, donations & bequests            |          | 5,065,801        | 5,076,872        |
| Receipts from sales of publications & services               |          | 774,495          | 606,343          |
| Interest received  |          | 185,354          | 115,163          |
| Payments to suppliers and employees                          |          | (6,093,366)      | (5,560,897)      |
| <b>Net cash provided by / (used in) operating activities</b> | <b>B</b> | <b>(66,501)</b>  | <b>243,001</b>   |
| Cash flows from Investing Activities                         |          |                  |                  |
| Purchases of plant and equipment                             |          | (33,509)         | (17,403)         |
| Purchases of additional term deposits                        |          | (262,805)        | (321,197)        |
| <b>Net cash (used in) investing activities</b>               |          | <b>(296,314)</b> | <b>(338,600)</b> |
| Cash flows from Financing Activities                         |          |                  |                  |
| Funds loaned to GMHC Inc                                     |          | -                | (4,500)          |
| Repayment of loan by AIDS Trust Australia                    |          | -                | 30,000           |
| <b>Net cash (used in) / provided by financing activities</b> |          | <b>-</b>         | <b>25,500</b>    |
| Net increase / (decrease) in cash held                       |          | (362,815)        | (70,099)         |
| Cash at the beginning of the financial year                  |          | 467,318          | 537,417          |
| <b>Cash at the end of the financial year</b>                 | <b>A</b> | <b>104,503</b>   | <b>467,318</b>   |

The accompanying notes form part of this financial report.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

|   | 2012            | 2011           |
|---|-----------------|----------------|
| <b>Note A Reconciliation of cash</b>  | \$              | \$             |
| <p>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 and is reconciled to the related items in the balance sheet as follows:</p> |                 |                |
| Cash at bank  | 376,588         | 680,662        |
| Cash on hand  | 5,250           | 5,250          |
| Support group bank accounts   | 11,766          | 11,725         |
| Bank overdrafts – (unsecured)   | (289,101)       | (230,319)      |
|   | <b>104,503</b>  | <b>467,318</b> |
| <b>Note B Reconciliation of net cash provided by operating activities to profit after income tax</b>  |                 |                |
| Profit after income tax   | 33,226          | 121,988        |
| Non-cash flows in profit after income tax:  |                 |                |
| Depreciation and amortisation   | 22,717          | 33,245         |
| Building maintenance fund   | 50,000          | 50,000         |
| Changes in assets and liabilities:  |                 |                |
| (Increase) / decrease in trade and other receivables  | (145,957)       | 35,842         |
| Increase / (decrease) in trade and other payables   | (87,222)        | (32,962)       |
| Increase / (decrease) in employee entitlements  | 60,735          | 34,888         |
| <b>Net cash provided by / (used in) operating activities</b>  | <b>(66,501)</b> | <b>243,001</b> |
| <p>The association has no credit standby or financing facilities in place.</p>  |                 |                |
| <p>There were no non-cash financing or investing activities during the period.</p>  |                 |                |

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

## 1. SUMMARY 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*. The Board of Directors 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* 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 and Errors |
| AASB 110  | Events Occurring After Reporting Date                           |
| AASB 112  | Income Taxes  |
| AASB 116  | Property, Plant and 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 financial report has been prepared on an accruals basis and 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 significant 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 and brought to account as income accordingly.

### b. Income in Advance

Grants received are brought to account as income proportionately over the period covered by the grant therefore if the grant straddles the end of the financial year any unexpended grant monies are carried forward to the next financial year and recognised as income when the funds are effectively spent.

### 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. Plant and Equipment

Each class of plant and 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 method 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:

| <b>Class of fixed asset</b> | <b>Depreciation rate</b> |
|-----------------------------|--------------------------|
| Plant and equipment         | 6.00%                    |
| Office furniture            | 6.60%                    |
| Motor vehicles              | 25.00%                   |
| Leasehold improvements      | 10.00%                   |
| Computer equipment          | 33.33%                   |

Depreciation rates are based on those recommended by the Department of Human Services.

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

Gains and 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.

**e. Income Tax**

The association has 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 and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**g. Provision for Maintenance**

Provision is made for future repairs to be made to the premises at Claremont Street due to its state of disrepair.

**h. Employee Provisions**

The amounts expected to be paid to all employees for their pro-rata entitlements to long service leave and annual leave are accrued annually at current wage rates.

Employees with long service leave entitlements, who have been with the organisation for seven years have been treated as current in accordance with the *Long Service Leave Act 1992*.

**i. Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand and at call deposits with financial institutions, investments in money market instruments, maturing within less than 3 months and net of bank overdrafts.

|  | 2012             | 2011             |
|--|------------------|------------------|
| <b>2. OPERATING REVENUE</b>                        | <b>\$</b>        | <b>\$</b>        |
| Bequests, fundraising & sales                      | 215,452          | 204,375          |
| Donations  | 316,086          | 265,603          |
| Fees received                                      | 537,860          | 585,581          |
| Grants received                                    | 4,945,031        | 4,657,718        |
| Interest received                                  | 172,727          | 164,475          |
| Membership fees                                    | 1,215            | 5,520            |
| Other income                                       | 22,055           | 15,987           |
|  | <b>6,210,426</b> | <b>5,899,259</b> |
| <b>3. PROFIT AFTER INCOME TAX</b>                  |                  |                  |
| Profit after income tax has been determined after: |                  |                  |
| Crediting as income:                               |                  |                  |
| Interest received                                  | 172,727          | 164,475          |
| Charging as expenses:                              |                  |                  |
| Interest paid                                      | 42               | 7                |
| Amortisation of leasehold improvements             | 7,121            | 8,887            |
| Depreciation of plant and equipment                | 15,596           | 24,565           |
| Building maintenance provision                     | 50,000           | 50,000           |
| Auditors' remuneration:                            |                  |                  |
| - Auditing the accounts                            | 14,541           | 15,000           |
| - Other services                                   | 5,500            | 5,000            |
|  | 20,041           | 20,000           |
| <b>4. CASH AND CASH EQUIVALENTS</b>                |                  |                  |
| Cash on hand                                       | 5,250            | 5,250            |
| Cash at bank                                       | 376,588          | 680,662          |
| Support group bank accounts                        | 11,766           | 11,725           |
|  | <b>393,604</b>   | <b>697,637</b>   |
| <b>4A. SHORT TERM CASH INVESTMENTS</b>             |                  |                  |
| Term deposits (from 6-12 months)                   | 2,639,307        | 2,377,033        |
| Interest bearing deposits                          | 9,243            | 8,712            |
|  | <b>2,648,550</b> | <b>2,385,745</b> |
| <b>5. TRADE AND OTHER RECEIVABLES</b>              |                  |                  |
| Accrued revenue                                    | 261,696          | 52,853           |
| Prepayments  | 6,418            | 57,782           |
| Sundry debtors                                     | 1,228            | 14,750           |
| Unsecured loan – Gay Men's Health Centre Inc.      | 134,502          | 132,502          |
|  | <b>403,844</b>   | <b>257,887</b>   |

|  | 2012             | 2011             |
|--|------------------|------------------|
| <b>6. PLANT AND EQUIPMENT</b>                    | <b>\$</b>        | <b>\$</b>        |
| Computer equipment at cost                       | 694,514          | 687,265          |
| Less accumulated depreciation                    | (630,023)        | (629,795)        |
|  | 64,491           | 57,470           |
| Motor vehicle at cost                            | 23,161           | 23,161           |
| Less accumulated depreciation                    | (23,161)         | (23,161)         |
|  | -                | -                |
| Leasehold improvements at cost *                 | 90,870           | 90,870           |
| Less accumulated amortisation                    | (90,831)         | (83,710)         |
| * To the Clinic in Fitzroy Street, St.Kilda      | 39               | 7,160            |
| Office furniture at cost                         | 719,550          | 698,085          |
| Less accumulated depreciation                    | (589,848)        | (579,275)        |
|  | 129,702          | 118,810          |
|  | <b>194,232</b>   | <b>183,440</b>   |
| <b>7. TRADE AND OTHER PAYABLES</b>               |                  |                  |
| Bank overdrafts – (unsecured)                    | 289,101          | 230,319          |
| Building maintenance fund (note 1f)              | 260,000          | 210,000          |
| Capital grant in advance (unexpended)            | 54,586           | 83,470           |
| Grants in advance (unexpended)                   | 120,000          | 206,707          |
| GST payable                                      | (2,024)          | 69,878           |
| Trade creditors                                  | 138,677          | 133,336          |
| PAYG payable                                     | 26,263           | 26,259           |
| Project funds in advance (unexpended)            | 708,334          | 613,405          |
|  | <b>1,594,937</b> | <b>1,573,374</b> |
| <b>8. EMPLOYEE ENTITLEMENTS</b>                  |                  |                  |
| Provision for annual leave                       | 234,915          | 208,606          |
| Provision for long service leave – Current       | 111,542          | 89,776           |
| Provision for long service leave – Non Current   | 104,945          | 92,285           |
|  | <b>451,402</b>   | <b>390,667</b>   |
| <b>9. LEASING COMMITMENTS</b>                    |                  |                  |
| Operating lease commitments                      |                  |                  |
| Rental properties, motor vehicles & photocopiers |                  |                  |
| Payable – minimum lease payments                 |                  |                  |
| - not later than 12 months                       | 86,305           | 72,338           |
| - between 12 months and 5 years                  | 203,519          | 17,042           |
| - greater than 5 years                           | -                | -                |
| <b>Total Lease Liabilities</b>                   | <b>289,824</b>   | <b>89,380</b>    |

The association has two (2) property leases, five (5) (last year seven (7)) motor vehicle leases and three (3) photocopier leases.

The property and motor vehicle leases are paid monthly in advance and the photocopier leases are paid quarterly in advance.

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.

#### **10. RELATED PARTIES**

The association was provided with rent free accommodation by the Gay Men's Health Centre Inc on the condition that the association maintains the building. The Board members of the association are also the Board members of the Gay Men's Health Centre Inc.

## **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 30 June 2012 for the year then ended, and the income statement, the cash flow statement, a summary of significant accounting policies, other explanatory notes and 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 and fair presentation of the financial report and 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* and are appropriate to meet the needs of the members. The Board of Management's responsibilities also include designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

#### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion 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 and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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*. 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 and appropriate to provide a basis for our audit opinion.

#### **INDEPENDENCE**

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

#### **QUALIFICATION**

As is common for organisations of this type, it is not practicable for the association to maintain effective systems of internal controls over donations and other fund raising activities until their initial entry in the accounting records. Accordingly, our audit in relation to donations and 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 of 30 June 2012 and of its financial performance and cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the *Associations Incorporation Act 1981*.

#### **BASIS OF ACCOUNTING**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Victorian AIDS Council Inc to meet the requirements of the *Associations Incorporation Act 1981*. As a result, the financial report may not be suitable for another purpose.

*Clements Dunne & Bell*

Clements Dunne & Bell Partnership  
Chartered Accountants  
Melbourne

*A. Wehrens*

Andrew Wehrens  
Partner  
2 October 2012

## BOARD OF DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2012

Your Board of Directors submit the financial report of the Gay Men's Health Centre Inc for the financial year ended 30 June 2012.

### BOARD OF DIRECTORS

The names of the Board of Directors throughout the year and at the date of this report are: Alec West, Chrissie Feagins, David Menadue, Greg Carter, Kirsten Machon, Matt Dixon appt Aug 2011, Mitchell Chipman appt Nov 2011, Dominic Smith appt May 2012, and Sam Venning appt Apr 2012.

Kevin Guiney res Oct 2011, Michael Williams res Jan 2012 appt Jul 2012, Mike Kennedy res July 2011, Mark McColl re Oct 2011, Kieran O'Loughlin appt Nov 2011, res Apr 2012, and Paul Kidd res Mar 2012.

### ATTENDANCE AT BOARD MEETINGS

| Board Member      | Meetings eligible to attend | Meetings attended |
|-------------------|-----------------------------|-------------------|
| Alec West         | 11                          | 10                |
| Chrissie Feagins  | 11                          | 9                 |
| David Menadue     | 11                          | 11                |
| Greg Carter       | 11                          | 11                |
| Kevin Guiney      | 4                           | 4                 |
| Kirsten Machon    | 11                          | 10                |
| Matt Dixon        | 10                          | 10                |
| Michael Williams  | 6                           | 6                 |
| Mike Kennedy      | 1                           | 1                 |
| Mark McColl       | 4                           | 0                 |
| Mitchell Chipman  | 7                           | 7                 |
| Kieran O'Loughlin | 5                           | 4                 |
| Dominic Smith     | 2                           | 2                 |
| Paul Kidd         | 8                           | 5                 |
| Sam Venning       | 3                           | 3                 |

### INCORPORATION

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

### PRINCIPAL ACTIVITIES

The principal activity of the association during the financial year was the provision of accommodation to the Victorian AIDS Council Inc, as the owner of the Claremont Street site.

### SIGNIFICANT CHANGES

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

### OPERATING RESULT

The loss for the year was \$1,997 (2011: \$1,999 loss) and 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.



Kirsten Machon  
President



Greg Carter  
Treasurer

South Yarra, 2 October 2012

### STATEMENT BY THE BOARD OF DIRECTORS FOR THE YEAR ENDED 30 JUNE 2012

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 40 to 44:

- a. Presents a true and fair view of the financial position of the Gay Men's Health Centre Inc. as at 30 June 2012 and its performance and cash flows for the year ended on that date.
- b. 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:



Kirsten Machon  
President



Greg Carter  
Treasurer

South Yarra, 2 October 2012

## INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

|  | Note            | 2012             | 2011             |
|--|-----------------|------------------|------------------|
| <b>Income</b>  |                 | \$               | \$               |
| Interest received  | 3               | 3                | 1                |
|  |                 | <b>3</b>         | <b>1</b>         |
| <b>Less:</b>   |                 |                  |                  |
| <b>Expenditure</b>   |                 |                  |                  |
| Auditors fees  | 3               | 2,000            | 2,000            |
|  |                 | <b>2,000</b>     | <b>2,000</b>     |
| <b>Profit / (Loss) after income tax</b>                        | <b>1(d) / 3</b> | <b>(1,997)</b>   | <b>(1,999)</b>   |
| <b>Retained profits at the beginning of the financial year</b> |                 | <b>1,051,568</b> | <b>1,053,567</b> |
| <b>Retained profits at the end of the financial year</b>       |                 | <b>1,049,571</b> | <b>1,051,568</b> |

The accompanying notes form part of this financial report.

## BALANCE SHEET AS AT 30 JUNE 2012

|                                  | Note | 2012             | 2011             |
|----------------------------------|------|------------------|------------------|
| <b>Current Assets</b>            |      | \$               | \$               |
| Cash and cash equivalents        | 4    | 630              | 627              |
| <b>Total Current Assets</b>      |      | <b>630</b>       | <b>627</b>       |
| <b>Non-Current Assets</b>        |      |                  |                  |
| Property, plant and equipment    | 5    | 7,510,000        | 6,940,000        |
| <b>Total Non-Current Assets</b>  |      | <b>7,510,000</b> | <b>6,940,000</b> |
| <b>Total Assets</b>              |      | <b>7,510,630</b> | <b>6,940,627</b> |
| <b>Current Liabilities</b>       |      |                  |                  |
| Trade and other payables         | 6    | 136,503          | 134,503          |
| <b>Total Current Liabilities</b> |      | <b>136,503</b>   | <b>134,503</b>   |
| <b>Total Liabilities</b>         |      | <b>136,503</b>   | <b>134,503</b>   |
| <b>Net Assets</b>                |      | <b>7,374,127</b> | <b>6,806,124</b> |
| <b>Members' Funds</b>            |      |                  |                  |
| Reserves                         | 7    | 6,324,556        | 5,754,556        |
| Retained profits                 |      | 1,049,571        | 1,051,568        |
| <b>Total Members' Funds</b>      |      | <b>7,374,127</b> | <b>6,806,124</b> |

The accompanying notes form part of this financial report.

**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012**

|  | Note     | 2012       | 2011       |
|--|----------|------------|------------|
| <b>Income</b>  |          | \$         | \$         |
| <b>Cash flows from Operating Activities</b>                  |          |            |            |
| Interest received  |          | 3          | 1          |
| Payments to suppliers & employees                            |          | -          | -          |
| <b>Net cash provided by / (used in) operating activities</b> | <b>B</b> | <b>3</b>   | <b>1</b>   |
| <b>Cash flows from Investing Activities</b>                  |          | -          | -          |
| <b>Cash flows from Financing Activities</b>                  |          | -          | -          |
| <b>Net increase / (decrease) in cash held</b>                |          | <b>3</b>   | <b>1</b>   |
| <b>Cash at the beginning of the financial year</b>           |          | <b>627</b> | <b>626</b> |
| <b>Cash at the end of the financial year</b>                 | <b>A</b> | <b>630</b> | <b>627</b> |

The accompanying notes form part of this financial report.

**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012**

|  | 2012       | 2011       |
|--|------------|------------|
| <b>Note A - Reconciliation of cash</b>   | \$         | \$         |
| 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   | 630        | 627        |
|  | <b>630</b> | <b>627</b> |
| <b>Note B - Reconciliation of net cash provided by / (used in) operating activities to profit / (loss) after income tax</b>  |            |            |
| Profit / (loss) after income tax   | (1,997)    | (1,999)    |
| Non-cash flows in profit / (loss) after income tax:  | -          | -          |
| Changes in Assets and Liabilities:   |            |            |
| Increase / (decrease) in trade and other payables  | 2,000      | 2,000      |
| <b>Net cash provided by / (used in) operating activities</b>   | <b>3</b>   | <b>1</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 30 JUNE 2012

## 1. SUMMARY 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*. The Board of Directors 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* 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 and Errors |
| AASB 110  | Events Occurring After Reporting Date                           |
| AASB 112  | Income Taxes  |
| AASB 116  | Property, Plant and 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 financial report has been prepared on an accruals basis and 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 significant 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 and brought to account as income accordingly.

### b. Employee Benefits

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

### c. Property, Plant and Equipment

Each class of property, plant and 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 method 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 |
|----------------------|-------------------|
| Building             | 0.00%             |
| Plant and equipment  | 6.00%             |

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

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

The associations land and building are revalued every two years in accordance with its policy of property revaluation.

**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.

|   | 2012             | 2011             |
|---|------------------|------------------|
| <b>2. OPERATING REVENUE</b>   | \$               | \$               |
| Interest received   | 3                | 1                |
|   | <b>3</b>         | <b>1</b>         |
| <b>3. PROFIT / (LOSS) AFTER INCOME TAX</b>  |                  |                  |
| Profit / (loss) after income tax has been determined after:                                   |                  |                  |
| Crediting as income:  |                  |                  |
| Interest received   | 3                | 1                |
| Charging as expenses:   |                  |                  |
| Auditors' remuneration  |                  |                  |
| - Auditing the accounts   | 1,500            | 1,500            |
| - Other services  | 500              | 500              |
|   | <b>2,000</b>     | <b>2,000</b>     |
| <b>4. CASH AND CASH EQUIVALENTS</b>   |                  |                  |
| Cash at bank  | 630              | 627              |
|   | <b>630</b>       | <b>627</b>       |
| <b>5. PROPERTY, PLANT AND EQUIPMENT</b>   |                  |                  |
| Freehold land and building – 6-8<br>Claremont Street at independent valuation<br>30 June 2012 |                  |                  |
|   | 7,200,000        | -                |
| 10 car parking spaces – 11-17 Daly Street<br>at independent valuation 30 June 2012            |                  |                  |
|   | 310,000          | -                |
|   | <b>7,510,000</b> | <b>-</b>         |
| Freehold land and building – 6-8<br>Claremont Street at independent valuation<br>30 June 2010 |                  |                  |
|   | -                | 6,750,000        |
| 10 car parking spaces – 11-17 Daly Street<br>at independent valuation 30 June 2010            |                  |                  |
|   | -                | 190,000          |
|   | <b>-</b>         | <b>6,940,000</b> |
| Plant and equipment at cost   | 33,446           | 33,446           |
| Less accumulated depreciation   | (33,446)         | (33,446)         |
|   | <b>-</b>         | <b>-</b>         |
|   | <b>7,510,000</b> | <b>6,940,000</b> |

|  | 2012      | 2011      |
|--|-----------|-----------|
| <b>5. PROPERTY, PLANT AND EQUIPMENT (CONT)</b> | <b>\$</b> | <b>\$</b> |

The land and building at 6-8 Claremont Street South Yarra and the ten (10) 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 and other fundraising initiatives. Grants received have been used entirely as specified in grant guidelines, and have not been used in the purchase of the land, buildings or car parking spaces.

The land and building at 6-8 Claremont Street South Yarra and the car parking spaces at 11-17 Daly Street South Yarra were independently valued on 12th September 2012 by Mr. David Morton Certified Practising Valuer, B.Ec, B.Bus (Prop), AAPI, of Charter Keck Cramer in accordance with a policy of property revaluation every two years.

The land and building at 6-8 Claremont Street South Yarra and the car parking spaces at 11-17 Daly Street South Yarra were previously independently valued on 30 June 2010 by Mr. Gerard Browne Valuer, Assoc Dip Val (RMIT), Licensed Real Estate Agent, in accordance with a policy of property revaluation every two years.

The land and building at 6-8 Claremont Street South Yarra and the car parking spaces at 11-17 Daly Street South Yarra will be revalued again as at the 30th June 2014.

#### **6. TRADE AND OTHER PAYABLES**

|  |                |                |
|--|----------------|----------------|
| Unsecured loan – Victorian AIDS Council Inc. | 134,503        | 132,503        |
| Accrued creditors                            | 2,000          | 2,000          |
|  | <b>136,503</b> | <b>134,503</b> |

#### **7. RESERVES**

|  |                  |                  |
|--|------------------|------------------|
| Asset revaluation reserve  | 6,324,556        | 5,754,556        |
|  | <b>6,324,556</b> | <b>5,754,556</b> |
| <b>Movements during the year</b>   |                  |                  |
| Opening balance  | 5,754,556        | 5,754,556        |
| Revaluation increment on freehold land and building – 6-8 Claremont Street | 450,000          | -                |
| Revaluation increment on 10 car parking spaces                             | 120,000          | -                |
| Closing balance  | 6,324,556        | 5,754,556        |

#### **8. RELATED PARTY TRANSACTIONS**

During the year the association provided accommodation to the Victorian AIDS Council Inc at no charge in return for the maintenance and upkeep of the building. The Board members of the association are also the Board members of the Victorian AIDS Council Inc.

# 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 30 June 2012 for the year then ended, and the income statement, the cash flow statement, a summary of significant accounting policies, other explanatory notes and 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 and fair presentation of the financial report and 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 and are appropriate to meet the needs of the members. The Board of Management's responsibilities also include designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion 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 and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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. 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 and appropriate to provide a basis for our audit opinion.

## INDEPENDENCE

In conducting our audit, we have complied with the 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 30 June 2012 and of its financial performance and cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the *Associations Incorporation Act 1981*.

## BASIS OF ACCOUNTING

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Gay Men's Health Centre Inc to meet the requirements of the *Associations Incorporation Act 1981*. As a result, the financial report may not be suitable for another purpose.

*Clements Dunne & Bell*

Clements Dunne & Bell Partnership  
Chartered Accountants  
Melbourne

*A. Wehrens.*

Andrew Wehrens  
Partner  
2 October 2012

## BOARDS OF DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2012

Your Boards of Directors submit the consolidated financial report of the Victorian AIDS Council Inc. and the Gay Men's Health Centre Inc. (collectively called 'the associations') for the financial year ended 30 June 2012.

### BOARDS OF DIRECTORS

The names of the Boards of Directors throughout the year and at the date of this report are:

Alec West, Chrissie Feagins, David Menadue, Greg Carter, Kirsten Machon, Matt Dixon appt Aug 2011, Mitchell Chipman appt Nov 2011, Dominic Smith appt May 2012, and Sam Venning appt Apr 2012.

Kevin Guiney res Oct 2011, Michael Williams res Jan 2012 appt Jul 2012, Mike Kennedy res July 2011, Mark McColl re Oct 2011, Kieran O'Loughlin appt Nov 2011, res Apr 2012, and Paul Kidd res Mar 2012.

### ATTENDANCE AT BOARD MEETINGS FOR THE YEAR

| Board Member      | Meetings eligible to attend | Meetings attended |
|-------------------|-----------------------------|-------------------|
| Alec West         | 11                          | 10                |
| Chrissie Feagins  | 11                          | 9                 |
| David Menadue     | 11                          | 11                |
| Greg Carter       | 11                          | 11                |
| Kevin Guiney      | 4                           | 4                 |
| Kirsten Machon    | 11                          | 10                |
| Matt Dixon        | 10                          | 10                |
| Michael Williams  | 6                           | 6                 |
| Mike Kennedy      | 1                           | 1                 |
| Mark McColl       | 4                           | 0                 |
| Mitchell Chipman  | 7                           | 7                 |
| Kieran O'Loughlin | 5                           | 4                 |
| Dominic Smith     | 2                           | 2                 |
| Paul Kidd         | 8                           | 5                 |
| Sam Venning       | 3                           | 3                 |

### INCORPORATION

The Victorian AIDS Council Inc. was incorporated on 16 January 1985 and the Gay Men's Health Centre Inc. was incorporated on 22 August 1986.

### PRINCIPAL ACTIVITIES

The principal activities of the associations during the financial year were providing support, education, and advocacy for all those affected by HIV / AIDS, especially gay and bisexual men and promoting the health and well being of gay and bisexual men.

### **SIGNIFICANT CHANGES**

No significant change in the nature of these activities occurred during the year.

### **FINANCIAL RESULTS**

The profit for the year was \$31,229 (2011: \$119,989 profit) and no provision for income tax was required as the associations are exempt from income tax.

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



Kirsten Machon  
President



Greg Carter  
Treasurer

South Yarra, 2 October 2012

### **STATEMENT BY THE BOARDS OF DIRECTORS FOR THE YEAR ENDED 30 JUNE 2012**

The Boards of Directors have determined that the associations are not reporting entities 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 Boards of Directors, the financial report as set out on pages 49 to 57:

- a. Presents a true and fair view of the consolidated financial position of the Victorian AIDS Council Inc. and Gay Men's Health Centre Inc. as at 30 June 2012 and their performance and cash flows for the year ended on that date.
- b. At the date of this statement, there are reasonable grounds to believe that the Victorian AIDS Council Inc. and Gay Men's Health Centre Inc. will be able to pay their debts as and when they fall due.

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



Kirsten Machon  
President



Greg Carter  
Treasurer

South Yarra, 2 October 2012

## INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

|  | Note            | 2012             | 2011             |
|--|-----------------|------------------|------------------|
| <b>Income</b>  |                 | <b>\$</b>        | <b>\$</b>        |
| Bequests, Fundraising & Sales                                  |                 | 215,452          | 204,375          |
| Donations  |                 | 316,086          | 265,603          |
| Fees received  |                 | 537,860          | 585,581          |
| Grants received  |                 | 4,945,031        | 4,657,718        |
| Interest received  | 3               | 172,730          | 164,476          |
| Membership fees  |                 | 1,215            | 5,520            |
| Other income   |                 | 22,055           | 15,987           |
|  |                 | <b>6,210,429</b> | <b>5,899,260</b> |
| Less:  |                 |                  |                  |
| Expenditure  |                 |                  |                  |
| Advertising, Campaign materials & Photography                  |                 | 607,320          | 594,973          |
| Attendant care   |                 | 156,716          | 131,633          |
| Building maintenance   |                 | 136,209          | 103,753          |
| Consultants fees   |                 | 287,301          | 398,684          |
| Cost of sales  |                 | 208,487          | 174,350          |
| Depreciation and amortisation                                  | 3               | 22,717           | 33,452           |
| Emergency relief grants  |                 | 73,502           | 77,380           |
| Interest paid  | 3               | 42               | 7                |
| Other operating expenses                                       |                 | 986,369          | 948,205          |
| Rental expense on operating leases:                            |                 |                  |                  |
| - minimum lease payments                                       |                 | 75,666           | 81,688           |
| Staff services and on costs                                    |                 | 3,573,846        | 3,180,368        |
| Telephone  |                 | 51,025           | 54,778           |
|  |                 | <b>6,179,200</b> | <b>5,779,271</b> |
| <b>Profit after income tax</b>                                 | <b>1(e) / 3</b> | <b>31,229</b>    | <b>119,989</b>   |
| <b>Retained profits at the beginning of the financial year</b> |                 | <b>2,612,236</b> | <b>2,492,247</b> |
| <b>Retained profits at the end of the financial year</b>       |                 | <b>2,643,465</b> | <b>2,612,236</b> |

The accompanying notes form part of this financial report.

**BALANCE SHEET AS AT 30 JUNE 2012**

|                                      | Note | 2012              | 2011              |
|--------------------------------------|------|-------------------|-------------------|
| <b>Current Assets</b>                |      | \$                | \$                |
| Cash and cash equivalents            | 4    | 394,234           | 698,264           |
| Short term cash investments          | 4A   | 2,648,550         | 2,385,745         |
| Trade and other receivables          | 5    | 269,342           | 125,384           |
| <b>Total Current Assets</b>          |      | <b>3,312,126</b>  | <b>3,209,393</b>  |
| <b>Non-Current Assets</b>            |      |                   |                   |
| Property, plant and equipment        | 6    | 7,704,232         | 7,123,440         |
| <b>Total Non-Current Assets</b>      |      | <b>7,704,232</b>  | <b>7,123,440</b>  |
| <b>Total Assets</b>                  |      | <b>11,016,358</b> | <b>10,332,833</b> |
| <b>Current Liabilities</b>           |      |                   |                   |
| Trade and other payables             | 7    | 1,596,938         | 1,575,374         |
| Employee entitlements                | 8    | 346,457           | 298,382           |
| <b>Total Current Liabilities</b>     |      | <b>1,943,395</b>  | <b>1,873,756</b>  |
| <b>Non Current Liabilities</b>       |      |                   |                   |
| Employee entitlements                | 8    | 104,945           | 92,285            |
| <b>Total Non Current Liabilities</b> |      | <b>104,945</b>    | <b>92,285</b>     |
| <b>Total Liabilities</b>             |      | <b>2,048,340</b>  | <b>1,966,041</b>  |
| <b>Net Assets</b>                    |      | <b>8,968,018</b>  | <b>8,366,792</b>  |
| <b>Members' Funds</b>                |      |                   |                   |
| Reserves                             | 9    | 6,324,556         | 5,754,556         |
| Retained profits                     |      | 2,643,462         | 2,612,236         |
| <b>Total Members' Funds</b>          |      | <b>8,968,018</b>  | <b>8,366,792</b>  |

The accompanying notes form part of this financial report.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

|  | Note     | 2012             | 2011             |
|--|----------|------------------|------------------|
| <b>Cash flows from Operating Activities</b>                  |          | \$               | \$               |
| Receipts from members  |          | 1,215            | 5,520            |
| Core funding grant receipts, donation & bequests             |          | 5,065,801        | 5,076,872        |
| Receipts from sales of publications & services               |          | 774,495          | 606,343          |
| Interest received  |          | 185,357          | 115,163          |
| Payments to suppliers and employees                          |          | (6,093,366)      | (5,565,396)      |
| <b>Net cash provided by / (used in) operating activities</b> | <b>B</b> | <b>(66,498)</b>  | <b>238,502</b>   |
| <b>Cash flows from Investing Activities</b>                  |          |                  |                  |
| Purchases of plant and equipment                             |          | (33,509)         | (17,403)         |
| Purchases of additional term deposits                        |          | (262,805)        | (321,197)        |
| <b>Net cash (used in) investing activities</b>               |          | <b>(296,314)</b> | <b>(338,600)</b> |
| <b>Cash flows from Financing Activities</b>                  |          |                  |                  |
| Repayment of loan by AIDS Trust Australia                    |          | -                | 30,000           |
| <b>Net cash provided by Financing Activities</b>             |          | <b>-</b>         | <b>30,000</b>    |
| <b>Net increase / (decrease) in cash held</b>                |          | <b>(362,812)</b> | <b>(70,098)</b>  |
| <b>Cash at the beginning of the financial year</b>           |          | <b>467,945</b>   | <b>538,043</b>   |
| <b>Cash at the end of the financial year</b>                 | <b>A</b> | <b>105,133</b>   | <b>467,945</b>   |

The accompanying notes form part of this financial report.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

|  | 2012           | 2011           |
|--|----------------|----------------|
| <b>Note A Reconciliation of Cash</b>   | <b>\$</b>      | <b>\$</b>      |
| 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 overdrafts – (unsecured)  | (289,101)      | (230,319)      |
| Cash at bank   | 377,218        | 681,289        |
| Cash on hand   | 5,250          | 5,250          |
| Support group bank accounts  | 11,766         | 11,725         |
|  | <b>105,133</b> | <b>467,945</b> |

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

|  |                 |                |
|--|-----------------|----------------|
| Profit after income tax                                      | 31,229          | 119,989        |
| Non-cash flows in profit after income tax:                   |                 |                |
| Depreciation and amortisation                                | 22,717          | 33,245         |
| Building maintenance fund                                    | 50,000          | 50,000         |
| Changes in Assets & Liabilities:                             |                 |                |
| (Increase) / decrease in trade and other receivables         | (145,957)       | 35,842         |
| Increase / (decrease) in trade and other payables            | (85,222)        | (35,462)       |
| Increase / (decrease) in employee entitlements               | 60,735          | 34,888         |
| <b>Net cash provided by / (used in) operating activities</b> | <b>(66,498)</b> | <b>238,502</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 30 JUNE 2012

## SUMMARY 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*. The Board of Directors 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* 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 and Errors |
| AASB 110  | Events Occurring After Reporting Date                           |
| AASB 112  | Income Taxes  |
| AASB 116  | Property, Plant and 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 financial report has been prepared on an accruals basis and 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 significant 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. and the 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 and 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 and Equipment

Each class of property, plant and 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 method over their useful lives to the associations 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 |
|------------------------|-------------------|
| Buildings              | 0.00%             |
| Plant and equipment    | 6.00%             |
| Office furniture       | 6.60%             |
| Motor vehicles         | 25.00%            |
| Leasehold improvements | 10.00%            |
| Computer equipment     | 33.33%            |

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

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

The associations land and building are revalued every two years in accordance with its policy of property revaluation.

**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 and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

**g. Employee Benefits**

The amounts expected to be paid to all employees for their pro-rata entitlements to long service leave and annual leave are accrued annually at current wage rates.

Employees with long service leave entitlements, who have been with the organisation for seven years have been treated as current in accordance with the *Long Service Leave Act 1992*.

**h. Provision for Maintenance**

Provision is made for future repairs to be made to the premises at Claremont Street due to its state of disrepair.

**i. Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand and at call deposits with financial institutions, investments in money market instruments, maturing within less than 3 months and net of bank overdrafts.

|                               | 2012             | 2011             |
|-------------------------------|------------------|------------------|
| <b>2. OPERATING REVENUE</b>   | <b>\$</b>        | <b>\$</b>        |
| Bequests, fundraising & sales | 215,452          | 204,375          |
| Donations                     | 316,086          | 265,603          |
| Fees received                 | 537,860          | 585,581          |
| Grants received               | 4,945,031        | 4,657,718        |
| Interest received             | 172,730          | 164,476          |
| Membership fees               | 1,215            | 5,520            |
| Other income                  | 22,055           | 15,987           |
|                               | <b>6,210,429</b> | <b>5,899,260</b> |

|   | 2012             | 2011             |
|---|------------------|------------------|
| <b>3. PROFIT AFTER INCOME TAX</b>   |                  |                  |
| Profit after income tax has been determined after:                                      |                  |                  |
| Crediting as income:  |                  |                  |
| Interest received   | 172,730          | 164,476          |
| Charging as expenses:   |                  |                  |
| Amortisation of leasehold improvements  | 7,121            | 8,887            |
| Building maintenance provision  | 50,000           | 50,000           |
| Depreciation of plant and equipment   | 15,596           | 24,565           |
| Interest paid   | 42               | 7                |
| Auditors' remuneration  |                  |                  |
| - Auditing the accounts   | 16,041           | 16,500           |
| - Other services  | 6,000            | 5,500            |
|   | 22,041           | 22,000           |
| <b>4. CASH AND CASH EQUIVALENTS</b>   |                  |                  |
| Cash on hand  | 5,250            | 5,250            |
| Cash at bank  | 377,218          | 681,289          |
| Support group bank accounts   | 11,766           | 11,725           |
|   | <b>394,234</b>   | <b>698,264</b>   |
| <b>4A. SHORT TERM CASH INVESTMENT</b>   |                  |                  |
| Term deposits (from 6-12 months)  | 2,639,307        | 2,377,033        |
| Interest bearing deposits   | 9,243            | 8,712            |
|   | <b>2,648,550</b> | <b>2,385,745</b> |
| <b>5. TRADE AND OTHER RECEIVABLES</b>   |                  |                  |
| Accrued revenue   | 261,696          | 52,853           |
| Prepayments   | 6,418            | 57,782           |
| Sundry debtors  | 1,228            | 14,749           |
|   | <b>269,342</b>   | <b>125,384</b>   |
| <b>6. PROPERTY, PLANT AND EQUIPMENT</b>   |                  |                  |
| Freehold land and building – 6-8 Claremont Street at independent valuation 30 June 2012 | 7,200,000        | -                |
| 10 car parking spaces – 11-17 Daly Street at independent valuation 30 June 2012         | 310,000          | -                |
|   | <b>7,510,000</b> | <b>-</b>         |
| Freehold land and building – 6-8 Claremont Street at independent valuation 30 June 2010 | -                | 6,750,000        |
| 10 car parking spaces – 11-17 Daly Street at independent valuation 30 June 2010         | -                | 190,000          |
|   | <b>-</b>         | <b>6,940,000</b> |
| Plant and equipment   | 33,446           | 33,446           |
| Less accumulated depreciation   | (33,446)         | (33,446)         |
|   | <b>-</b>         | <b>-</b>         |

|  | 2012             | 2011             |
|--|------------------|------------------|
| <b>6. PROPERTY, PLANT AND EQUIPMENT (CONT)</b> | <b>\$</b>        | <b>\$</b>        |
| Computer equipment at cost                     | 694,514          | 687,265          |
| Less accumulated depreciation                  | (630,023)        | (629,795)        |
|  | 64,491           | 57,470           |
| Motor vehicle at cost                          | 23,161           | 23,161           |
| Less accumulated depreciation                  | (23,161)         | (23,161)         |
|  | -                | -                |
| Leasehold improvements at cost                 | 90,870           | 90,870           |
| Less accumulated amortisation                  | (90,831)         | (83,710)         |
|  | 39               | 7,160            |
| Office furniture at cost                       | 719,550          | 698,085          |
| Less accumulated depreciation                  | (589,848)        | (579,275)        |
|  | 127,702          | 118,810          |
|  | <b>7,704,232</b> | <b>7,123,440</b> |

The land and building at 6-8 Claremont Street South Yarra and the ten (10) 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 and other fundraising initiatives. Grants received have been used entirely as specified in grant guidelines, and have not been used in the purchase of the land, buildings or car parking spaces.

The land and building at 6-8 Claremont Street South Yarra and the car parking spaces at 11-17 Daly Street South Yarra were independently valued on 12th September 2012 by Mr. David Morton Certified Practising Valuer, B.Ec, B.Bus (Prop), AAPI, of Charter Keck Cramer in accordance with a policy of property revaluation every two years.

The land and building at 6-8 Claremont Street South Yarra and the car parking spaces at 11-17 Daly Street South Yarra were previously independently valued on 30 June 2010 by Mr. Gerard Browne Valuer, Assoc Dip Val (RMIT), Licensed Real Estate Agent, in accordance with a policy of property revaluation every two years.

The land and building at 6-8 Claremont Street South Yarra and the car parking spaces at 11-17 Daly Street South Yarra will be revalued again as at the 30th June 2014.

|                                       | \$               | \$               |
|---------------------------------------|------------------|------------------|
| <b>7. TRADE AND OTHER PAYABLES</b>    |                  |                  |
| Bank overdraft – (unsecured)          | 289,101          | 230,319          |
| Building maintenance fund             | 260,000          | 210,000          |
| Capital grant in advance (unexpended) | 54,586           | 83,470           |
| Grants in advance (unexpended)        | 120,000          | 206,707          |
| GST payable                           | (2,024)          | 69,878           |
| Trade creditors                       | 140,677          | 135,336          |
| PAYG payable                          | 26,263           | 26,259           |
| Project funds in advance (unexpended) | 708,335          | 613,405          |
|                                       | <b>1,596,938</b> | <b>1,575,374</b> |

|  | 2012             | 2011             |
|--|------------------|------------------|
| <b>8. EMPLOYEE ENTITLEMENTS</b>  |                  |                  |
| Provision for annual leave   | 234,915          | 208,606          |
| Provision for long service leave – Current                                 | 111,542          | 89,776           |
| Provision for long service leave – Non Current                             | 104,945          | 92,285           |
|  | <b>451,402</b>   | <b>390,667</b>   |
| <b>9. RESERVES</b>   |                  |                  |
| Asset revaluation reserve  | 6,324,556        | 5,754,556        |
|  | <b>6,324,556</b> | <b>5,754,556</b> |
| Movements during the year  |                  |                  |
| Opening balance  | 5,754,556        | 5,754,556        |
| Revaluation increment on freehold land and building – 6-8 Claremont Street | 450,000          | -                |
| Revaluation increment on 10 car parking spaces                             | 120,000          | -                |
| Closing balance  | 6,324,556        | 5,754,556        |
| <b>10. LEASING COMMITMENTS</b>   |                  |                  |
| Operating Lease Commitments  |                  |                  |
| Rental Properties, Motor Vehicles & Photocopiers                           |                  |                  |
| Payable – minimum lease payments   |                  |                  |
| - not later than 12 months   | 86,305           | 72,338           |
| - between 12 months and 5 years  | 203,519          | 17,042           |
| - greater than 5 years   | -                | -                |
| <b>Total Lease Liabilities</b>   | <b>289,284</b>   | <b>89,380</b>    |

The association has two (2) property leases, five (5) (last year seven (7)) motor vehicle leases and three (3) photocopier leases.

The property and motor vehicle leases are paid monthly in advance and the photocopier leases are paid quarterly in advance.

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.

### 11. RELATED PARTIES

The associations did not enter into any related party transactions during the year other than internal transactions as disclosed in the individual accounts.

# 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 reports, of Victorian AIDS Council Inc. and Gay Men's Health Centre Inc. (the associations), which comprises the balance sheet as at 30 June 2012 and the income statement, cash flow statement, a summary of significant accounting policies, other explanatory notes and the statement by members of the Board of Management.

## BOARD'S RESPONSIBILITY FOR THE FINANCIAL REPORT

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

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion 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 and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entities internal controls. An audit also includes evaluating the appropriateness of accounting policies used and 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*. 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 and appropriate to provide a basis for our audit opinion.

## **INDEPENDENCE**

In conducting our audit, we have complied with the 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 and other fund raising activities until their initial entry in the accounting records. Accordingly, our audit in relation to donations and 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 reports of Victorian AIDS Council Inc. and Gay Men's Health Centre Inc. presents fairly, in all material respects the consolidated financial position of Victorian AIDS Council Inc. and Gay Men's Health Centre Inc. as of 30 June 2012 and of their consolidated financial performance and consolidated cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the *Associations Incorporation Act 1981*.

## **BASIS OF ACCOUNTING**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Victorian AIDS Council Inc. and Gay Men's Health Centre Inc. to meet the requirements of the *Associations Incorporation Act 1981*. As a result, the financial report may not be suitable for another purpose.

*Clements Dunne & Bell*

Clements Dunne & Bell Partnership  
Chartered Accountants  
Melbourne

*A. Wehrens.*

Andrew Wehrens  
Partner  
2 October 2012

**ADDITIONAL STATISTICAL FINANCIAL INFORMATION (UNAUDITED)  
FOR THE SEVEN YEARS ENDED 30TH JUNE 2012**

| <b>For the<br/>Year Ended</b>                       | <b>2012</b>       | <b>2011</b>       | <b>2010</b>       | <b>2009</b>      | <b>2008</b>      | <b>2007</b>      | <b>2006</b>      |
|---|-------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|
|   | \$                | \$                | \$                | \$               | \$               | \$               | \$               |
| <b>Income and Expenditure</b>                       |                   |                   |                   |                  |                  |                  |                  |
| <b>Total<br/>Income</b>                             | <b>6,210,429</b>  | <b>5,899,260</b>  | <b>5,434,653</b>  | <b>5,210,561</b> | <b>4,962,486</b> | <b>4,016,673</b> | <b>3,716,365</b> |
| Government<br>Funding                               | 5,057,579         | 4,657,718         | 4,308,892         | 4,096,437        | 3,940,524        | 3,024,842        | 2,930,568        |
| Members<br>Fees                                     | 1,215             | 5,520             | 1,932             | 3,220            | 4,273            | 7,637            | 4,662            |
| Interest  | 172,730           | 164,476           | 105,857           | 126,395          | 129,868          | 72,954           | 21,265           |
| Other<br>Income                                     | 978,905           | 1,071,546         | 1,017,972         | 984,508          | 887,821          | 911,240          | 759,870          |
| <b>Total<br/>Expenditure</b>                        | <b>6,179,201</b>  | <b>5,779,271</b>  | <b>5,398,903</b>  | <b>5,107,470</b> | <b>4,431,113</b> | <b>3,874,832</b> | <b>3,664,262</b> |
| <b>Profit /<br/>(Loss)</b>                          | <b>31,229</b>     | <b>119,989</b>    | <b>35,750</b>     | <b>103,091</b>   | <b>531,373</b>   | <b>141,841</b>   | <b>52,103</b>    |
| <b>Profit / (Loss)<br/>as % of Total<br/>Income</b> | <b>0.503%</b>     | <b>2.034%</b>     | <b>0.658%</b>     | <b>1.979%</b>    | <b>10.708%</b>   | <b>3.531%</b>    | <b>1.402%</b>    |
| <b>Assets and Liabilities</b>                       |                   |                   |                   |                  |                  |                  |                  |
| Current<br>Assets                                   | 3,312,126         | 3,209,393         | 2,991,954         | 3,099,087        | 2,492,525        | 2,072,030        | 1,402,257        |
| Property,<br>Plant and<br>Equipment (1)             | 7,704,232         | 7,123,440         | 7,139,282         | 6,397,978        | 6,481,707        | 3,951,079        | 3,974,103        |
| <b>Total Assets</b>                                 | <b>11,016,358</b> | <b>10,332,833</b> | <b>10,131,236</b> | <b>9,497,066</b> | <b>8,974,232</b> | <b>6,023,109</b> | <b>5,376,360</b> |
| Creditors   | 1,596,938         | 1,575,374         | 1,528,654         | 1,733,765        | 1,381,104        | 1,503,990        | 1,029,021        |
| Employee<br>entitlements                            | 451,402           | 390,667           | 355,779           | 322,249          | 255,167          | 262,531          | 232,592          |
| <b>Total<br/>Liabilities</b>                        | <b>2,048,340</b>  | <b>1,966,041</b>  | <b>1,884,433</b>  | <b>2,056,014</b> | <b>1,636,271</b> | <b>1,766,521</b> | <b>1,261,613</b> |
| Reserves (1)  | 6,324,556         | 5,754,556         | 5,754,556         | 4,984,556        | 4,984,556        | 2,434,556        | 2,434,556        |
| <b>Members'<br/>Funds</b>                           | <b>2,643,462</b>  | <b>2,612,236</b>  | <b>2,492,247</b>  | <b>2,456,495</b> | <b>2,353,405</b> | <b>1,822,032</b> | <b>1,680,191</b> |
| <b>Financial Ratios</b>                             |                   |                   |                   |                  |                  |                  |                  |
| Current Ratio                                       | 1.704             | 1.713             | 1.588             | 1.507            | 1.520            | 1.173            | 1.111            |
| <b>General Performance</b>                          |                   |                   |                   |                  |                  |                  |                  |
| Employees:  |                   |                   |                   |                  |                  |                  |                  |
| Full Time   | 25 (F)            | 27 (F)            | 29 (F)            | 25 (F)           | 24 (F)           | 24 (F)           | 28 (F)           |
| Part Time   | 30 (P)            | 34 (P)            | 26 (P)            | 22 (P)           | 15 (P)           | 20 (P)           | 21 (P)           |
| Volunteers  | 305               | 238               | 261               | 278              | 280              | 302              | 155              |
| Members   | 374               | 318               | 384               | 448              | 446              | 370              | 405              |

(1) All business real estate property is owned by the Gay Men's Health Centre Inc and was last revalued as at 30 June 2012. Its purchase was funded solely by funds raised by the way of donations, bequests, sponsorship and other fundraising activities and initiatives. All grants received have been used entirely as specified in grant guidelines and were not used in the purchase of the land and building or car parking spaces.

# AWARDS

## **SUE MACGREGOR, LIFE MEMBERSHIP**

Sue has been involved with VAC/GMHC as a volunteer since 1993 and continues to make a significant contribution to the services offered at the Positive Living Centre today. She has been an integral part of the HIV/AIDS Legal Centre (HALC) offering her skills as a lawyer, assisting hundreds of people over her time with our organisation, completely free of charge.

Sue is extremely talented, intelligent, capable, dedicated, and personable. She is always willing to put in the extra effort to achieve positive outcomes for those who need legal assistance. Sue, who runs her own busy practice, is passionate about her work and has demonstrated the capacity to work tirelessly to meet the needs of clients.

She has been a positive influence and inspiration for many volunteers who have worked with her and her commitment to helping a marginalised group within our community is evident. She consistently and reliably contributes to the continuity and success of the HALC service offered at the PLC. She is an integral and important part of the team in our ongoing effort to provide positive outcomes for people living with HIV/AIDS.

Sue is truly an inspiration to our organisation, the community and the sector.

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## **GORDON CAMPBELL, LIFE MEMBERSHIP**

Gordon Campbell joined Community Support in August 1992. He helped to establish the Central Area Group and served in several positions on the group's executive over the following ten years. Di Clark, as Area Co-ordinator for Central Support, says she was privileged to work with Gordon as a Care Team Co-ordinator. "He was thoroughly reliable, highly organised, caring and compassionate, playing a vital role in supporting many clients in their search for quality of life," Di recalls.

Gordon went on to be the Central Area Group Co-ordinator for four years, managing monthly meetings that typically involved more than 40 volunteers.

When Community Support introduced its new local team structure in 2007, Gordon put his hand up to lead the Richmond team, which he has done with consummate skill and expertise, volunteering hundreds of hours of his time. He manages the meetings and team finances, organises support activities, and provides transport for clients. Gordon has managed to do all of this while working full time *and* completing a PhD.

Gordon's alter ego, Mary Christmas, has entertained many clients over the years at Christmas functions, and he has also hosted and performed on cabaret nights at the Positive Living Centre, bringing a sense of fun and joy to Support clients, many of whom are marginalised and isolated.

Gordon joined Community Support at an emotionally demanding time in the HIV/AIDS epidemic. It was not uncommon for volunteers to support clients through to their death, often ensuring that they were able to die with dignity in their own homes. With the introduction of anti-retroviral treatments in 1996, Gordon witnessed a change in client need to more complex, long-term support. He adapted to the change effortlessly, and assisted other volunteers to do so, thus ensuring the continuation of high-quality support to clients.

Gordon Campbell has always been willing to take a lead role in any Community Support activity and his focus and commitment are an inspiration for all.

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### **JARON NGO, SPECIAL SERVICE AWARD**

Jaron has been a volunteer with VAC/GMHC since 2003, assisting with the running of various services offered through the Nutritional Services Program at the Positive Living Centre. Jaron has shown dedication in undertaking regular shifts during this time and has made a considerable commitment to our service, over and above the obligation most people make.

He has demonstrated a willingness to constantly learn, and by using the resources available to him or talking to experienced staff, he has increased his skills and knowledge base. He has become a regular and important participant in our activities.

Jaron has a considerate and calm demeanour, which is a substantial benefit in his volunteer role. He presents in a very professional way and has maintained a great working relationship with the staff, clients and other volunteers within our organisation. He is extremely valued and is a vital part of the team that supports the delivery of a very significant service to those living with HIV.

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### **THE LAIRD HOTEL (BRETT LASHAM AND MARK CARNEY), SPECIAL SERVICE AWARD**

The Laird Hotel under its current owners, Brett and Mark, has been a strong supporter of our organisation and indeed for people living with HIV/AIDS – most notably through running events that support the David Williams Fund (DWF). The Annual Laird Auction for DWF was virtually an institution that, since it began, has raised literally hundreds of thousands of dollars for VAC/GMHC.

For more than twenty years Midsumma Mooning raised substantial funds, as did SlaveMarket which last year was replaced by Northside Bizzare (NB). Last year NB raised in excess of \$15,000 which was divided between JOY 94.9 and DWF.

The Laird is also one of the few venues that support VAC/GMHC's campaign to have safe sex packs in bars, and Brett and Mark encourage patrons to take them. They also ensure that safe packs are placed in the accommodation rooms on the first floor of the hotel.

Significantly, the hotel was one of the locations for the first meetings in the community by the group of women and men who later formed VAC/GMHC.

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### **ANNE MITCHELL – PRESIDENT'S AWARD**

Anne Mitchell has been involved with the HIV response in Victoria since the 1980s, when she was part of – what was then called – the Department of Health's AIDS Branch. She developed close relationships with friends living with HIV during that time and with the agencies involved, including VAC/GMHC.

Anne has always been a strong supporter of VAC/GMHC, working closely with the Board and staff on a range of research projects during her time with the Australian Research Centre in Sex Health and Society (ARCSHS), and as Director of Gay and Lesbian Health Victoria. She has been a member of the VAC/GMHC Research, Promotion and Ethics Committee for more than ten years.

Anne's long association with the organisation and her fantastic work in getting the issue of gay and lesbian health and wellbeing on the agenda (of governments and the community more broadly) is nothing short of admirable.

Although recently retired from Gay and Lesbian Health Victoria, the legacy of her work will be felt for many years to come.

# VAC/GMHC WOULD LIKE TO THANK

55 Porter Street Sauna  
65 Main Street  
Abode  
Adam Richard  
Adrenachrome  
Aimee Cooper  
Alfred Health  
An Huynh  
ARCSHS  
Aussie Bum  
Australian GLBTIQ  
Multicultural Council  
The Astor  
Bay City Caulfield Sauna  
Beyond  
Bill Saunders  
Brian Emmerson  
Burnet Institute  
Calvista  
Catholic AIDS Ministry  
City of Port Phillip  
City of Stonnington  
Club 80  
Club X Footscray  
Colin Krycer  
Country Awareness Network  
Craig Bascand  
Darebin Community Health  
Centre  
Dassi (Disability Attendant  
Support Services Inc)  
David Williams Fund  
Committee  
Dennis Nelthorp  
D'n'M Bar  
Dolly Diamond  
Domain Flowers  
DonorTec  
Drills Swan Street Auctions  
DrugInfo  
Eagle Leather  
Emma McRae  
Endota  
Ezygoods  
FaCHSIA  
Farmers Arms  
Gay and Lesbian Liaison  
Officers  
Geoffrey Rush  
GH  
Greek Gay Group  
Grow Group  
Hampstead Dental  
Heart Foundation  
Hepatitis Victoria  
Hepburn Bathhouse and Spa  
Horizon Place  
Housing Choices Australia  
Ice Cafe  
Jade Leonard  
Jane Menelaus  
John Fowler  
Jon Jackson  
JOY 94.9 FM  
Judith Lucy  
Judy Frecker  
Julie Maron  
Kaye Sera  
Kim Busuttill  
Kirby Institute  
Laird Hotel  
Laura Pringle  
Legal Aid New South Wales  
Lilly White  
Loka Nunda  
Lucrezia & De Sade  
Luke Gallagher  
Luna Park  
MAC AIDS Fund  
MBS gym  
Mannhaus  
Marg Hayes  
Margaret Hellard  
Marquis de Sade  
Matt Temple  
Maurice Blackburn  
MCV  
Melbourne Gay and Lesbian  
Chorus  
Melbourne Leather Men  
Melbourne Queer Film Festival  
Melbourne Sexual Health  
Centre and Pharmacy  
Mercedes Benz  
Microsoft Australia  
Midsumma  
Minus18  
NAB  
National Centre in HIV Social  
Research  
Neil Armfield  
NMIT AIDS Garden  
Management Committee  
Northside Clinic  
Peel Dance Bar  
Peninsula Spa & Sauna  
People Living with HIV/AIDS Victoria  
People to People Computer  
Services  
Peter Garlan  
Polly Filla  
Positive Speakers Bureau  
Positive Women  
Prahzan Manor  
Qantum Naturopathics  
Rachel Berger  
Rainbow Network Victoria  
Ready Now Catering and  
Hospitality  
Research, Ethics & Promotion  
Committee Members  
Retravision- South Melbourne  
Royal District Nursing Service  
- HIV Clinical Nurse Consultants  
Royal Melbourne Hospital  
Safe Schools Coalition of Victoria  
Scott Watterson  
Senswide  
Seymore Butz  
Shannon Murphy  
Circuit Bar  
Southern School of Natural Therapy  
Spartacus  
Star Observer  
Straight Arrows  
Subway Sauna  
Telstra  
Ten Plus  
The Piercing Urge  
Trevor Williams  
Turtle Cove Resort  
ViiV Healthcare  
VicBears  
VicLeather  
Victoria Legal aid  
Village Cinemas  
Vista  
West Heidelberg community  
legal service  
Western Region Health Service  
Wet on Wellington  
WISE Employment Service  
WoofClub  
Yarra Trams  
Yellow Kitties

The background of the entire page is a lush green scene with various types of foliage, including long, thin leaves and dense, feathery branches. In the bottom right corner, a portion of a red and white flag is visible, featuring a stylized black logo that resembles a hammer and sickle.

## **PETER KNIGHT CENTRE**

6 Claremont Street South Yarra Victoria 3141  
P: 1800 134 840 / 03 9865 6700 F: 03 9826 2700  
enquiries@vicaids.asn.au [www.vicaids.asn.au](http://www.vicaids.asn.au)

## **POSITIVE LIVING CENTRE**

51 Commercial Road South Yarra Victoria 3141  
P: 1800 622 795 / 03 9863 0444 F: 03 9820 3166

## **THE CENTRE CLINIC**

Rear 77 Fitzroy Street St Kilda Victoria 3182  
P: 03 9525 5866 F: 03 9525 3673