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FINANCIAL REPORT 2019-2020



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PEOPLE LIVING WITH HIV/AIDS VICTORIA INC

REG NO. A00 390 27B

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

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PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
BOARD OF MANAGEMENT REPORT

The Board of Management presents their report on People Living with HIV/AIDS Victoria Inc. for the financial year ended 30 June 2020.

Board of Management

The following persons have been a member on the Board of Management during the financial year with details of their term of office, status and the number of Board meetings attended:

Name	Term started	Current/ Resignation date	Meetings eligible to attend	Meetings attended
Jeffrey Robertson	September 2016	Current	10	10
Rick Fiedler	May 2017	October 2019	3	2
Adam Ehm	May 2017	Current	10	10
Judith Arndt (Co-opted)	April 2018	October 2019	3	1
Matthew Poulton	October 2018	April 2020	7	3
David Hand (Co-opted)	November 2018	October 2019	3	3
Andy Holsten	October 2018	May 2020	6	5
Jared Stern	February 2019	Current	10	8
Christabel Millar	October 2019	Current	7	7
Matthew Gallagher	October 2019	Current	7	7
Oonagh Rocks (Co-opted)	November 2019	Current	6	6
Michelle Robbins (Co-opted)	July 2020	Current	-	-
Rosaria Zarro (Co-opted)	July 2020	Current	-	-
Stefan Joksic	July 2020	Current	-	-

The members of the Board of Management have been in office since the start of the financial year to the date of this report unless otherwise stated.

In addition, the following staff of the Association have attended Board meetings:

Richard Keane as the Chief Executive Officer, from July 2018
Tim Krulic as the Staff representative to the Board, from January 2019

Incorporation

The Association was incorporated in Victoria on 7th December 1999.

Principal Activities

PLWHA Victoria is a not for profit, community based organisation representing all people living with HIV in Victoria since 1988 and is committed to the advancement of human rights and wellbeing of all people living with HIV.

PLWHA Victoria works closely in partnership with a range of HIV-sector and other organisations to deliver a comprehensive and coordinated response to the needs of PLHIV in Victoria, nationally and internationally.

Our mission is to educate, support and advocate on behalf of all people living with HIV in Victoria, as part of a society-wide response that seeks an end to the HIV epidemic.

There were no significant changes in the principal activities of the Association during the year.

**PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
BOARD OF MANAGEMENT REPORT**

Operating Results

The operating result for the year was a surplus of \$27,456 (2019: \$39,892 deficit) and no provision for income tax was required as the Association is exempt from income tax.

Significant Changes

There were no significant changes in the principal activities of the Association during the year.

After balance day events

A matter has continue to evolve since 30 June 2020 that has significantly affected, or may significantly affect:

- (a) the entity's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the entity's state of affairs in future financial years.

The COVID19 pandemic is likely to induce significant changes in the state of affairs of the association during the financial period ended 30 June 2021. The committee members will take all necessary measures to preserve capital and shepherd the association through this uncertain period.

Signed in accordance with a resolution of the Members of the Board of Management.

President



Adam Ehm

Treasurer



Matthew Gallagher

Dated

14 October 2020, Southbank

PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
REVENUES	2	1,863,505	1,709,397
EXPENSES			
Administration expenses		(105,905)	(126,736)
Administration salaries and superannuation		(1,255,914)	(1,131,371)
Board expenses		(15,641)	(20,034)
Campaigns		(6,982)	(35,329)
Employee entitlements and provisions		-	(23,273)
Grants		(15,689)	(8,385)
Health promotion		(59,913)	(68,941)
Health promotion/positive education		(59,802)	(84,988)
Interest on lease liability		(71,636)	-
Right of use of leased premises amortisation		(218,060)	-
Speakers Bureau		(16,739)	(24,504)
Surplus/(deficit) attributable to the Association		<u>37,224</u>	<u>185,836</u>
COVENTRY HOUSE			
Coventry House Income		172,182	160,288
Rent received and on-costs		172,182	160,288
Coventry House Expenses		181,950	386,016
Salaries, superannuation and professional development		1,409	11,510
Rent		89,771	256,251
Body corporate on-costs		-	80
Cleaning		784	3,903
Computer maintenance		29,004	21,414
Electricity		7,888	11,184
Insurance		2,852	4,230
Kitchen expenses		2,781	5,567
Maintenance and repairs		276	678
Photocopy lease and photocopying costs		14,697	17,618
Depreciation	3	6,629	10,775
Parking		-	-
Security		505	1,036
Stationery and postage		4,946	8,132
Straight Arrows		-	-
Telephones and internet		16,679	25,931
Volunteers		3,729	7,707
(DEFICIT)/SURPLUS FROM COVENTRY HOUSE		<u>(9,768)</u>	<u>(225,728)</u>
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>27,456</u>	<u>(39,892)</u>

The statement of financial performance is to be read in conjunction with the audit report and the notes to the financial statements.

PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
CURRENT ASSETS			
Cash and cash equivalents	4	561,668	375,048
Trade and other receivables	5	13,717	10,787
Other current assets	6	98,177	134,688
TOTAL CURRENT ASSETS		673,562	520,523
NON CURRENT ASSETS			
Plant and equipment	7	-	6,493
Intangible assets	8	4,139,158	-
TOTAL NON-CURRENT ASSETS		4,139,158	6,493
TOTAL ASSETS		4,812,720	527,016
CURRENT LIABILITIES			
Trade and other payables	9	207,877	197,010
Provisions	10	188,590	174,897
Lease liabilities	11	175,801	-
TOTAL CURRENT LIABILITIES		572,268	371,907
NON-CURRENT LIABILITIES			
Trade and Other Payables	9		-
Provisions	10	-	-
Lease liabilities	11	4,057,887	-
TOTAL NON-CURRENT LIABILITIES		4,057,887	-
TOTAL LIABILITIES		4,630,155	371,907
NET ASSETS		182,565	155,109
EQUITY			
Accumulated funds		182,565	155,109
TOTAL EQUITY		182,565	155,109

The statement of financial position is to be read in conjunction with the audit report and the notes to the financial statements.

PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Accumulated Members Funds \$	Total \$
Balance as at 1 July 2018	195,001	195,001
Surplus/ (Deficit) attributable to the Association	(39,892)	(39,892)
Balance as at 30 June 2019	<u>155,109</u>	<u>155,109</u>
Surplus/ (Deficit) attributable to the Association	27,456	27,456
Balance as at 30 June 2020	<u><u>182,565</u></u>	<u><u>182,565</u></u>

The statement of changes in equity is to be read in conjunction with the audit report and the notes to the financial statements.

PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from sponsors, members, donations and fundraising		105,348	44,687
Receipts from operating grants		1,967,978	1,818,009
Payments to employees and suppliers		(1,691,832)	(1,924,906)
Interest on lease liability		(71,636)	-
Interest received		428	1,017
Net cash generated from/(used in) operating activities	14	<u>310,286</u>	<u>(61,193)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		(136)	-
Payment for purchase of property, plant and equipment		-	-
Net cash (used in)/provided by investing activities		<u>(136)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	-
Repayment of lease liability - leased premises		(123,530)	-
Net cash used in financing activities		<u>(123,530)</u>	<u>-</u>
NET INCREASE/(DECREASE) IN CASH HELD		186,620	(61,193)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		375,048	436,241
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	4	<u>561,668</u>	<u>375,048</u>

PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 1. Statement of Significant Accounting Policies

The financial statements and notes represent those of People Living with HIV/AIDS Victoria Inc. (the Association), a incorporated association, which is incorporated in Victoria under the *Associations Incorporation Reform Act 2012*.

Basis of preparation

People Living with HIV/AIDS Victoria Inc. applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 201 0-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards- Reduced Disclosure Requirements of the Australian Accounting Standards Board, the *Australian Charities and Not for Profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012*.

People Living with HIV/AIDS Victoria Inc. is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Plant and Equipment

Plant & equipment are brought to account at cost less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by Board of Management to ensure it is not in excess of the recoverable amount of these assets.

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Association commencing from the time the asset is held ready for use.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An assets carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

b. Impairment of Assets

At each reporting date, the Association reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Association estimates the recoverable amount of the cash generating unit to which the asset belongs.

PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 1. Statement of Significant Accounting Policies (continued)

c. Leases

Leased Assets

For any new contracts entered on or after 1 July 2019, the Association considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period in exchange for consideration'. To apply this definition the Association assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Association
- the Association has the right to obtain substantially all the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Association has the right to direct the use of the identified asset throughout the period of use.

The Association assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Association recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Association, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Association depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Association also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Association measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Association's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Association has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 1. Statement of Significant Accounting Policies (continued)

c. Leases (continued)

Accounting for Leases under AASB 16

The adoption of this new Standard has resulted in the Association recognising a right-of-use asset and related lease liability in connection with all former operating leases except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application.

The new Standard has been applied using the modified retrospective approach, with the cumulative effect of adopting AASB 16 being recognised in equity as an adjustment to the opening balance of retained earnings for the current period. Prior periods have not been restated.

For contracts in place at the date of initial application, the Association has elected to apply the definition of a lease from AASB 117 and has not applied AASB 16 to arrangements that were previously not identified as lease under AASB 117.

The Association has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of AASB 16, being 1 January 2019. At this date, the Association has also elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition.

Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Association has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of AASB 16.

Accounting for Leases under AASB 16 (continued)

On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets the Association has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straightline basis over the remaining lease term.

For those leases previously classified as finance leases, the right-of-use asset and lease liability are measured at the date of initial application at the same amounts as under AASB 117 immediately before the date of initial application.

On transition to AASB 16 the weighted average incremental borrowing rate applied to lease liabilities recognised under AASB 16 was 2.22%.

The Association has benefited from the use of hindsight for determining the lease term when considering options to extend and terminate leases.

d. Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Association commits itself to either purchase or sale of the asset (i.e. trade date accounting is adopted).

PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 1. Statement of Significant Accounting Policies (continued)

e. Employee Benefits

Short term benefits

The provisions for employee entitlements to wages, salaries, annual and paid maternity leave represent obligations resulting from employees' services provided up to reporting date, calculated at undiscounted amounts based on wage and salary rates, including related on-costs, which the Association expects to pay at the end of each reporting period.

Long term benefits

The provision for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to reporting date.

Superannuation

Superannuation contributions are made by the Association to approved superannuation funds for all employees. The costs are charged as employee expenses as they are incurred. The Association has no legal obligation to cover any shortfall in the superannuation funds' obligations to provide benefits to employees on retirement.

f. Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities in the statement of financial position.

h. Revenue

Revenue comprises income from the provision of government grants, client contributions and donations. Revenue from major products and services is shown in Note 2.

Client Contributions

Fees charged services provided to clients are recognised when the service is rendered.

Donations

Donations collected, are recognised as revenue when the organisation gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Interest Received

Interest revenue is recognised on a time proportional basis taking into account the interest rates applicable to the financial assets.

PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 1. Statement of Significant Accounting Policies (continued)

h. Revenue (continued)

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

The mandatory date of adoption for AASB 15 and AASB 1058 was 1 January 2019. The Association has elected to apply the modified retrospective approach allowable under the Standard, reflecting the cumulative impact arising from adoption (if any) as an adjustment to opening accumulated surplus at 1 January 2019. As a result, comparative financial information has not been restated.

AASB 15 involves the use of a five-step recognition model for recognising revenue, the steps are:

- Step 1 – Identify the contract with the customer
- Step 2 – Identify the sufficiently specific performance obligations to be satisfied
- Step 3 – Measure the expected consideration
- Step 4 – Allocate that consideration to each of the performance obligations in the contract
- Step 5 – Recognise revenue

AASB 1058 measures income by reference to the fair value of the asset received. The asset received, which could be a financial or non-financial asset, is initially measured at fair value when the consideration paid for the asset is significantly less than fair value, and that difference is principally to enable the entity to further its objectives. Otherwise, assets acquired are recognised at cost.

Where the asset has been measured at fair value, AASB 1058 requires that elements of other Accounting Standards are identified before accounting for the residual component. These standards are:

- AASB 15 Revenue from Contracts with Customers
- AASB 16 Leases
- AASB 1004 Contributions
- AASB 137 Provisions, Contingent Liabilities & Contingent Assets
- AASB 9 Financial Instruments

All receipts are stated net of Good and Services Tax.

i. Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Association that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

j. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a net basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows excluded from the receipts from customers or the payments to suppliers.

PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 1. Statement of Significant Accounting Policies (continued)

k. Income Tax

By virtue of its aims as set out in the constitution, the Association qualifies as an organisation specifically exempt from income tax under the *Income Tax Assessment Act 1997*.

m. Critical Accounting Estimates and Judgements

The Board of Management evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

n. New, Revised or Amending Accounting Standards and Interpretations Adopted

The Association has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Association.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the Association. The Board of Committee Members has elected not to early adopt any of the new and amended pronouncements.

PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
Note 2. Operating Activities: Revenues		
Government grants received	1,743,655	1,653,914
Corporate grants & sponsorships received	59,006	28,884
Donations	6,451	16,679
Interest received	428	1,017
Other income	50,000	1,932
Speakers Bureau fee income	3,965	6,971
Total revenue from operating activities	1,863,505	1,709,397
Note 3. Operating Activities: Expenses		
Depreciation of non-current assets: Coventry House	6,629	10,775
Key Management Personnel		
Key management of the Association are the members of the Board of Management, the Chief Executive Officer and Senior Executive Managers.		
Note that the Board of Management are not financially remunerated.		
Note 4. Cash and Cash Equivalents		
Cash at bank	91,632	21,783
Emergency relief and distress account	24,177	32,695
Max-I Direct Account	445,859	320,570
	561,668	375,048
Reconciliation of Cash		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:		
Cash and cash equivalents	561,668	375,048
	561,668	375,048
Note 5. Trade and Other Receivables		
Accounts receivable	24,861	10,787
Less: provision for doubtful debts	(11,144)	-
	13,717	10,787

PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
Note 6. Other Current Assets		
Other debtors	-	444
Prepayments	52,065	88,136
Rental bond - Coventry House	46,112	46,108
	<u>98,177</u>	<u>134,688</u>
Note 7. Plant and Equipment		
Office furniture		
At cost	681	545
Accumulated depreciation	(681)	(545)
	<u>-</u>	<u>-</u>
Computer equipment		
At cost	32,323	32,323
Accumulated depreciation	(32,323)	(25,830)
	<u>-</u>	<u>6,493</u>
Total property, plant and equipment	<u>-</u>	<u>6,493</u>
Note 8. Intangible Assets		
Right of use assets - leased premises		
At cost	4,357,218	-
Accumulated amortisation	(218,060)	-
	<u>4,139,158</u>	<u>-</u>
Note 9. Trade and Other Payables		
Current - unsecured		
Trade and sundry creditors	30,377	90,506
Accrued expenses	-	-
Project funds received in advance	60,841	8,700
Department of Health - rental bond - Coventry House	45,045	45,045
Superannuation payable	7,618	8,571
PAYG Withholding Tax payable	13,617	14,180
GST payable	50,379	30,008
	<u>207,877</u>	<u>197,010</u>
Note 10. Provisions		
Current		
Annual leave	109,983	89,486
Long service leave	78,607	85,411
	<u>188,590</u>	<u>174,897</u>

PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
Note 11. Lease Liabilities		
Current		
Lease liability - leased premises	175,801	-
	<u>175,801</u>	<u>-</u>
Non-current		
Lease liability - leased premises	4,057,887	-
	<u>4,057,887</u>	<u>-</u>
Note 12. Economic Dependence		
People Living with HIV/AIDS Victoria Inc is dependent on the grant funding from State and local sources for the majority of its revenue used for the provision of services. At the date of this report the Directors have no reason to believe the funding will not continue to support People Living with HIV/AIDS Victoria Inc at current levels.		
Note 13. Subsequent Events		
There are no events which have occurred after the reporting period that would affect the Association or the results for the period.		
Note 14. Cash Flow Information		
(a) Reconciliation of cash flow from operations with profit after income		
Operating surplus/(deficit)	27,456	(39,892)
Non-cash flows in profit		
Depreciation	6,629	10,775
Right of use of leased premises amortisation	218,060	-
Doubtful debts	11,144	-
Changes in assets and liabilities		
(Increase)/decrease in trade receivables	(14,074)	(9,779)
(Increase)/decrease in other current assets	36,511	(83,062)
Increase/(decrease) in trade and other payables	(41,274)	34,481
Increase/(decrease) in project funds received in advance	52,141	3,807
Increase/(decrease) in provisions	13,693	22,477
Cash flow from operations	<u>310,286</u>	<u>(61,193)</u>

REG NO. A00 390 27B
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 15. Financial Risk Management

The Association's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

The Association does not have any derivative instruments at 30 June 2020.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2020 \$	2019 \$
Financial Assets			
Cash and cash equivalents	4	561,668	375,048
Trade and other receivables	5 & 6	<u>13,717</u>	<u>10,787</u>
		<u>575,385</u>	<u>385,835</u>
Financial Liabilities			
Trade and other payables	8	<u>207,877</u>	<u>197,010</u>
		<u>207,877</u>	<u>197,010</u>

(i) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial statements.

(ii) Liquidity Risk

The Board of Management manages liquidity risk by monitoring forecast cash flows and ensuring that adequate borrowing facilities are maintained.

(iii) Interest Rate Risk

The Board of Management on a regular basis analyse the interest rate exposure in the context of the most recent economic conditions and forecasts.

Note 16. Association Details

The registered office of the association is:

Coventry House
Suite 1, 95 Coventry Street
SOUTHBANK VIC 3006

The principal place of business of the association is:

Coventry House
Suite 1, 95 Coventry Street
SOUTHBANK VIC 3006

**PEOPLE LIVING WITH HIV/AIDS VICTORIA INC
REG NO. A00 390 27B
STATEMENT BY MEMBERS OF THE BOARD OF MANAGEMENT**

The Board has determined that the Association is not a reporting entity and this general 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 Management the financial report as set out:

1. Presents a true and fair view of the financial position of People Living with HIV/AIDS Victoria Inc as at 30 June 2020 and its performance for the year ended on that date in accordance with Australian Accounting Standards.
2. At the date of this statement, there are reasonable grounds to believe that People Living with HIV/AIDS Victoria 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 Management and is signed for and on behalf of the Board of Management by:

President



Adam Ehm

Treasurer



Matthew Gallagher

Dated

14 October 2020, Southbank



Collins & Co Audit Pty Ltd

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PEOPLE LIVING WITH HIV/AIDS VICTORIA INC. A.B.N. 67 073 167 361 INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

I have audited the accompanying financial report of People Living with HIV/AIDS Victoria Inc. (the association), which comprises the statement of financial position as at 30 June 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Board of Directors.

In my opinion, the accompanying financial report of People Living with HIV/AIDS Victoria Inc. is in accordance with Division 60 of the ACNC Act 2012, including:

- i. giving a true and fair view of the association's financial position as at 30 June 2020 and of its performance and cash flows for the year ended on 30 June 2020; and
- ii. complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis of Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the association in accordance with the auditor independence requirements of the ACNC Act 2012 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the ACNC Act 2012, which has been given to the directors of the association would be on the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.



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Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.
- Conclude on the appropriateness of the responsible entities use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that I identify during my audit.

Frederik Ryk Ludolf Eksteen CA
ASIC Auditor Registration Number 421448

Collins & Co Audit Pty Ltd, 127 Paisley Street, FOOTSCRAY VIC 3011

Dated this 14th day of October 2020



living positive victoria