

**POSITIVE LIFE NSW INC**  
**ABN: 42 907 908 942**

**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**POSITIVE LIFE NSW INC**  
**ABN: 42 907 908 942**

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POSITIVE LIFE NSW INC  
ABN: 42 907 908 942

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 \$	2014 \$
Revenue from grants	10	854,445	821,700
Other revenue		90,903	89,788
Interest income		8,920	8,423
Employee benefits expenses	15	(477,827)	(398,470)
Depreciation expense		(10,685)	(12,124)
Occupancy expenses		(26,499)	(27,766)
Bad debts expense		(570)	-
Finance costs		(6,924)	(5,961)
Core activity expenses	13	(429,911)	(471,961)
<b>Surplus/(Deficit) before income tax</b>		<b>1,852</b>	<b>3,629</b>
Income tax expense	1(a)	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>1,852</b>	<b>3,629</b>
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<b>1,852</b>	<b>3,629</b>

STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2015

	Notes	2015 \$	2014 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	212,194	237,738
Trade and other receivables	3	7,543	5,546
Other assets	4	15,623	12,819
<b>TOTAL CURRENT ASSETS</b>		<b>235,360</b>	<b>256,103</b>
<b>NON CURRENT ASSETS</b>			
Property plant & equipment	5	5,171	15,856
<b>TOTAL NON CURRENT ASSETS</b>		<b>5,171</b>	<b>15,856</b>
<b>TOTAL ASSETS</b>		<b>240,531</b>	<b>271,960</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	14,685	27,058
Provision - Annual Leave	7	32,122	36,043
Long Service Leave Provision	7	12,626	30,869
Other liabilities	9	10,831	9,574
<b>TOTAL CURRENT LIABILITIES</b>		<b>70,264</b>	<b>103,544</b>
<b>NON CURRENT LIABILITIES</b>			
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>70,264</b>	<b>103,544</b>
<b>NET ASSETS</b>		<b>170,267</b>	<b>168,415</b>
<b>ACCUMULATED FUNDS</b>			
Accumulated surplus at beginning of the year		168,415	164,786
Current Year surplus/(deficit)		1,852	3,629
<b>TOTAL ACCUMULATED FUNDS</b>		<b>170,267</b>	<b>168,415</b>

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STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2015

	<i>Accumulated Funds</i>	<i>Total</i>
	\$	\$
<b>At 1 July 2013</b>	164,786	164,786
Total comprehensive surplus/(deficit) for the year	3,629	3,629
<b>At 30 June 2014</b>	168,415	168,415
<b>At 1 July 2014</b>	168,415	168,415
Total comprehensive surplus/(deficit) for the year	1,852	1,852
<b>At 30 June 2015</b>	170,267	170,267

STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 \$	2014 \$
<b>Cash flows from operating activities:</b>			
Receipts from donors & granting bodies		936,641	905,444
Payments to suppliers & employees		(971,105)	(973,495)
Interest received		8,920	8,423
Interest and other costs of finance paid		-	-
<b>Net cash from operating activities</b>	2(b)	(25,544)	(59,629)
<b>Cash flows from investing activities:</b>			
Payments for furniture & fittings and plant & equipment acquired		-	-
<b>Net cash used in investing activities</b>		-	-
<b>Net increase in cash held</b>		(25,545)	(59,629)
<b>Cash at the beginning of the year</b>		237,738	297,366
<b>Cash at the end of the year</b>	2(a)	212,193	237,738

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015

**NOTE 1 - STATEMENT OF ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act NSW and the Charitable Fundraising Act 1991.

Positive Life NSW Inc. (the "Association") adopted the Accounting Standard AASB 1053 on Reduced Disclosure Requirements during 2010 and also relevant standards that specify Tier 2 reporting requirements as outlined in AASB 2010-2.

These financial statements are prepared on an accruals basis and is based on historical costs and does not take into account changing money values, or except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The financial statements were approved by the Board of Directors on the 30<sup>th</sup> of September 2015.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial statements:

**(a) Income Tax**

Positive Life NSW Inc. is a recognised public benevolent institution and is therefore exempt from paying income tax and therefore, no provision for income tax has been made.

**(b) Property, Plant & Equipment – Property, plant and equipment is carried at cost less any accumulated depreciation.**

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

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

<b>Class of Fixed Assets</b>	<b>Depreciation Rate</b>
Furniture & Fittings	13 - 20%
Office Equipment	20 - 40%
Software	25%
Leasehold Improvements	Lease Life

The carrying amount of fixed assets is reviewed annually by the Board of Directors to ensure it is not impaired. There is no such indication that impairment existed at balance date.

**(c) 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.

**(d) Employee Entitlements**

Provision is made for the Association's liability for employee entitlements to balance date. Employee entitlements expected to be settled, including wages and salaries, annual leave and long service leave have been measured at their nominal amounts based on current remuneration rates.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

**(e) Grant Income**

The Board of Directors recognises grant income on an accrual basis, therefore all grants committed for a financial year have been recorded as income for that year.

Any funds which have not been committed or expensed at the end of the financial year are recorded as a liability in the Statement of Financial Position.

**(f) Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

**POSITIVE LIFE NSW INC**  
**ABN: 42 907 908 942**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**NOTE 1 - STATEMENT OF ACCOUNTING POLICIES (CONTINUED)**

**(g) Other Revenue**

Revenue from advertising is recognised upon the invoicing to customers. Any advertising revenue which relates to future publications is taken up as a liability in the Statement of Financial Position and recognised as revenue at a future date.

Interest revenue is recognised when credited, taking into account the interest rates applicable to the financial assets.

**(h) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flow on a gross basis, except for the GST component of investing and financing activities which are disclosed as operating cash flows.

**(i) Comparatives**

Where required by Accounting Standards or to correct disclosure, comparative figures have been adjusted to conform to changes in presentation of the current financial year.

**(j) Statement of Compliance**

Positive Life NSW Inc adopted the Accounting Standard AASB 1053 in 2010 and, in addition those relevant standards that specify Tier 2 reporting requirements.

**(k) Impairment of Assets**

The carrying value of plant and equipment is reviewed for impairment annually where change in circumstances indicate that the carrying value may not be recoverable. The Board of Directors are of the opinion that no such impairment indicators exist.

**(l) Presentation and Functional Currency**

These financial statements are presented in Australian Dollars, which is the Association's functional currency.

**(m) Economic Dependence**

Positive Life NSW Inc is dependent on the NSW Department of Health for the majority of its revenue, which is used to operate the Association. As at the date of this report, the Board of Directors have no reason to believe the NSW Department of Health will not continue to support the Association.

**(n) Financial Liabilities**

As at balance sheet date the Association had access to a business credit card facility totaling \$7,000 of which \$2,164 had been utilised. Banking facilities have been provided by Bendigo Bank, Community Sector Banking.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015

**NOTE 2 - CASH AND CASH EQUIVALENTS**

	2015	2014
	\$	\$
Cash at Bank:		
Operating Bank Account	37,345	37,195
Debit Card	43	2
Term Deposits	174,283	200,000
	<u>211,671</u>	<u>237,197</u>
Cash on Hand:		
Petty Cash	523	541
	<u>212,194</u>	<u>237,738</u>

**(a) Reconciliation of cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at bank and on deposit. Cash at the end of the year is reconciled to the related items in the balance sheet as follows:

Cash	212,194	237,738
Bank overdraft	-	-
	<u>212,194</u>	<u>237,738</u>

**(b) Reconciliation of net cash flows from operating activities to operating profit after income tax**

Profit for the year	1,851	3,629
Non-cash flows in profit		
Depreciation	10,685	12,124
<b>Increase/(decrease) in assets</b>		
Trade and other receivables	(1,997)	7,559
Accrued interest	-	-
Other current assets	(2,804)	(5,209)
<b>Increase/(decrease) in liabilities</b>		
Trade and other payables	(12,373)	(88,980)
Other liabilities	1,257	7,574
Provision - Annual leave	(3,921)	(9,585)
Provision - Long service leave	(18,243)	13,259
<b>Net cash provided by operating activities</b>	<u>(25,545)</u>	<u>(59,629)</u>

**NOTE 3 - TRADE AND OTHER RECEIVABLES**

Trade receivables	7,543	5,546
	<u>7,543</u>	<u>5,546</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015

<b>NOTE 4 - OTHER ASSETS</b>	<b>2015</b>	<b>2014</b>
<b>CURRENT</b>	<b>\$</b>	<b>\$</b>
Prepayments	1,760	3,634
Accrued Interest	-	499
GST receivable	13,861	8,687
	<u>15,623</u>	<u>12,819</u>

**NOTE 5 - PROPERTY, PLANT & EQUIPMENT**

<b>NON-CURRENT</b>	<b>2015</b>	<b>2014</b>
Furniture & Fittings - At Cost	3,233	3,233
Less: Accumulated Depreciation	(3,233)	(2,730)
	<u>-</u>	<u>503</u>
Office Equipment - At Cost	47,239	47,239
Less: Accumulated Depreciation	(42,740)	(33,571)
	<u>4,500</u>	<u>13,669</u>
Software - At Cost	7,340	7,340
Less: Accumulated Depreciation	(6,670)	(5,656)
	<u>671</u>	<u>1,684</u>
	<u>5,171</u>	<u>15,856</u>

**(a) Movements in carrying amounts**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

<b>2014</b>	Furniture & Fittings \$	Office Equipment \$	Software \$	Total \$
Balance at the beginning of year	1,110	23,941	2,928	27,980
Additions	-	-	-	-
Depreciation expense	(607)	(10,272)	(1,244)	(12,124)
Write off	-	-	-	-
<b>Carrying amount at the end of the year</b>	<u>503</u>	<u>13,669</u>	<u>1,684</u>	<u>15,856</u>
<b>2015</b>	Furniture & Fittings \$	Office Equipment \$	Software \$	Total \$
Balance at the beginning of year	503	13,669	1,684	15,856
Additions	-	-	-	-
Depreciation expense	(503)	(9,171)	(1,011)	(10,685)
Write off	-	-	-	-
<b>Carrying amount at the end of the year</b>	<u>(0)</u>	<u>4,498</u>	<u>673</u>	<u>5,171</u>



NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 JUNE 2015

**NOTE 6 - TRADE AND OTHER PAYABLES  
 CURRENT**

	2015 \$	2014 \$
Trade Creditors	8,707	23,160
PAYG Withholding	5,017	3,898
Other Payables	961	-
	<u>14,685</u>	<u>27,058</u>

**NOTE 7 - PROVISIONS**

Annual Leave (including loading) - Current	32,122	36,043
Long Service Leave - Current	12,626	30,869
	<u>44,748</u>	<u>66,912</u>

For purposes of the Statement of Financial Position, a statutory provision of accrued annual leave is made up of \$32,122 (2014: \$36,043) and long service leave of \$12,626 (2014: \$30,869). These provisions are calculated on the basis of employees receiving 13 weeks long service leave after 10 years continual service in line with Association policy. Accrual for long service leave provisions occurs after an employee has reached 5 years of continual service.

**NOTE 8 - NUMBER OF EMPLOYEES**

Number of employees at year end	<u>6</u>	<u>5</u>
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**NOTE 9 - OTHER LIABILITIES  
 CURRENT**

Grants in advance	-	-
Credit card expenses	2,164	3,039
Accruals	8,667	6,536
	<u>10,831</u>	<u>9,574</u>

**NOTE 10 - OPERATING GRANTS**

Grant income recognised		
NSW Department of Health	845,700	821,700
Other Grants	8,745	-
	<u>854,445</u>	<u>821,700</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$	2014 \$
<b>NOTE 11 - FUNDRAISING ACTIVITIES</b>		
<b>Income from Fundraising Activities</b>		
Miscellaneous Donations	74,692	71,850
	<u>74,692</u>	<u>71,850</u>
<b>Less: Expenses of Fundraising Activities</b>		
Fundraising expense	-	-
<b>Surplus/(Loss) on Fundraising Activities</b>		
Miscellaneous Donations	74,692	71,850
<b>NET SURPLUS ON FUNDRAISING ACTIVITIES</b>	<u>74,692</u>	<u>71,850</u>

The balance of fundraising income will be spent on activities which are ineligible for or unlikely to receive government funding or are most likely to enhance Positive Life NSW Inc. service provisions for its clients. With no fundraising expenses incurred, the net surplus margin on fundraising activities is 100%.

**NOTE 12 - MEMBERSHIP SERVICES**

Board Meeting, Annual Reports & Annual General Meeting Costs	13,090	13,270
	<u>13,090</u>	<u>13,270</u>

**NOTE 13 - CORE ACTIVITY EXPENSES**

Positive Speakers' Bureau	44,204	48,843
Community Development & Health Promotion	214,796	184,769
Policy	27,459	16,160
Governance	1,128	86
Administration Services	142,324	222,478
	<u>429,911</u>	<u>472,336</u>

**NOTE 14 - AUDITOR'S REMUNERATION**

Audit services - ESV	5,000	4,600
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**NOTE 15 - EMPLOYEE RELATED COSTS**

Salaries & wages	457,908	359,260
Employee leave entitlements	(22,166)	3,675
Superannuation	37,014	32,631
Workers' compensation insurance	2,634	2,903
Staff recruitment costs	2,437	-
	<u>477,827</u>	<u>398,470</u>

**NOTE 16 - INSURANCE**

The following insurance policies which were in place and current as at 30 June 2015.

- Workers' Compensation insurance (disclosed at Note 15).
- Specific & General Property, Crime, Primary Liability, Protector Liability, Non-Owned Motor

- Vehicles and Personal Accidents, Directors and Officers Insurance

Premium paid:	5,070	5,073
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**NOTE 17 - MEMBERS' LIABILITY**

Under normal circumstances, members of an Association have no liability to contribute towards the payments of debts, liabilities or the costs, charges and expenses of the winding up of an Association, except to the amount of any membership fees remaining unpaid. As there are no fees payable for membership with Positive Life NSW Inc, members' liability equates to zero.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015

**NOTE 18 - ASSOCIATION DETAILS**

The Association was incorporated in Australia on 21 July 1989.

The principal place of business of the Association is: Level 5, Suite 5.2,  
414 Elizabeth Street  
Surry Hills, NSW, 2010

The principal activity of the Association is to represent people living with HIV in New South Wales and to promote a positive image of people affected by HIV with the aim of eliminating prejudice, isolation, stigmatisation and discrimination.

**NOTE 19 - Related Parties**

The following short-term employee benefits were paid to key management personnel:

Craig Cooper  
Appointed: 17/03/2014  
Short term employee benefits:  
Salaries & wages \$110,740.41  
Superannuation \$10,450.04

**NOTE 20 - Subsequent Events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of Positive Life NSW Inc., the results of those operations or the state of affairs of the Association in future financial years.

**NOTE 21 - CAPITAL AND LEASING COMMITMENTS**

	<u>2015</u>	<u>2014</u>
	\$	\$
<b>(a) Operating lease commitments</b>		
Being for rent of premises & office equipment		
Payable:		
- not later than 1 year	6,241	6,250
- later than 1 year but not later than 5 years	8,551	14,792
- later than 5 years	-	-
	<u>14,792</u>	<u>21,042</u>

The Association has a Memorandum of Understanding with ACON Health Limited for the lease of their premises. The term of the lease is not locked and either party can give the other 60 days notice to vacate the property.

**(b)** Other than those disclosed at Note 21(a) above, there are no other material commitments which require disclosure. (2014: Nil)

DECLARATION BY THE BOARD OF DIRECTORS

In the opinion of the Board of Directors the financial statements as set out on pages 1 to 10:

- 1 Presents a true and fair view of the financial position of Positive Life NSW Inc. as at 30 June 2015 and its results, changes in equity and cash flows of the Association for the year then ended in accordance with Australian Accounting Standards.
- 2 At the date of this statement, there are reasonable grounds to believe that Positive Life NSW 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:

President

Jane Costello



Treasurer

Cameron Colwell



Dated this 30th day of September, 2015

**DECLARATION BY THE PRESIDENT**

I, Jane Costello, President of Positive Life NSW Inc. (the "Association") declare that in respect of the Charitable Fundraising Act 1991 (the "Act") and, in particular, disclosure of fundraising appeals, in my opinion:

- (a) the financial statements present a true and fair view of all income and expenditure of the Association with respect to fundraising appeals;
- (b) the Statement of Financial Position presents a true and fair view of the state of affairs of the Association with respect to fundraising appeals;
- (c) the provisions of the Act, the regulations under the Act, and the conditions attached to the fundraising authority have been complied with by the Association; and
- (d) the internal controls exercised by the Association are appropriate and effective in accounting for all income received and applied by the Association from any of its fundraising appeals.



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**President**

**Jane Costello**

**Dated this 30<sup>th</sup> day of September 2015**



## Independent Audit Report to the Members of Positive Life NSW Inc

### Report on the Financial Report

We have audited the accompanying general purpose financial report of Positive Life NSW Incorporated, which comprises the statement of financial position as at 30 June 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and a statement by the board of directors.

### Directors' Responsibility for the Financial Report

The directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Associations Incorporations Act 2009 (NSW)*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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 management, as well as evaluating the overall presentation of the financial report.

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 followed the applicable independence requirements of the Australian professional ethical pronouncements.

### Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Positive Life NSW Incorporated as at 30 June 2015, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and other mandatory professional and statutory reporting requirements in Australia including section 24 of the *Charitable Fundraising Act (NSW) 1991*.

Dated at Sydney on the ~~19th~~ day of October 2015.

ESV Accounting and Business Advisors

**Tim Valtwies**  
Partner