



Care
Education
Advocacy

Sexual Health Victoria Inc.

ABN 97 379 402 182

Financial Statements for the year ended 30 June 2023

SEXUAL HEALTH VICTORIA INC.

ABN 97 379 402 182

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SEXUAL HEALTH VICTORIA INC.

ABN 97 379 402 182

Directors' Report

For the year ended 30 June 2023

The members of the Board present their report, together with the financial statements of Sexual Health Victoria Inc. ("SHV") for the year ended 30 June 2023.

Directors

The following persons were directors of SHV during the whole of the financial year and up to the date of this report, unless otherwise stated:

Angela Lu
Ann Maree Keenan
Anna Wilkinson
Anne Howells (appointed April 2023)
Carolyn Morris
Daniel Wilson (appointed June 2023)
John Kuot
Ricki Vinci (appointed April 2023)
Stelvio Vido
Caroline Mulcahy (resigned September 2022)
Sarah White (resigned October 2022)
Ines Rio (appointed 1 July 2023)

Principal activities

In pursuance of the purpose of SHV, its core business is to:

- provide a leadership role in public policy, advocacy, education and clinical care in reproductive and sexual health;
- promote and provide professional clinical and medical services in the areas of reproductive and sexual health with the aim of improving the health and wellbeing of the communities in which we operate;
- promote and provide relevant and accessible information and evidenced based quality education in reproductive and sexual health to the communities in which we operate to improve health literacy, wellbeing, participation and quality of life;
- undertake research relevant to the clinical and educational services offered to inform and improve contemporary practice and access to education;
- undertake advocacy relevant to the clinical and educational services offered to inform policy and priorities in the community and advance social and public welfare;
- undertake any other activities that align with the purpose and values of SHV.

SHV received funding for the above activities from the Victorian Government. SHV also generates income from:

- providing medical services;
- education and training;
- rental income derived from excess office space at the Box Hill premises;
- selling resources on reproductive and sexual health and related subjects; and
- donations.

This discretionary income is used to improve and expand SHV services.

Objectives

The short-term objective of SHV is informed by the priorities in the Department of Health's Integrated Health Promotion plan which focusses on empowering individuals and groups to take control of their reproductive and sexual health (RSH).

The long-term objective of SHV is to remain a leader in population-level intervention in sexual health through advocacy, education, capacity building and working in collaboration with organisations in the health, community and education sectors.

Directors' Report

For the year ended 30 June 2023

Strategy for achieving the objectives

SHV is delivering on its objectives by improving access to reproductive and sexual health (RSH) information and services by:

- strengthening our digital presence and quality of our digital information;
- undertaking research into RSH issues and education and delivering evidence based best practice; and
- providing education and training to both schools and primary care and community health staff.

Performance measures

SHV measures its performance in both the number of services provided over the year, and against targets for the quality of those services. SHV uses a variety of surveys and evaluation tools to measure the quality, need and appropriateness of the services it provides.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of SHV during the financial year.

Review of operations

The result for SHV amounted to \$51,591 deficit (2022: \$741,417 deficit).

SEXUAL HEALTH VICTORIA INC.

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Directors' Report

For the year ended 30 June 2023

Information on directors

Anne Howells	
Title:	Mrs
Qualification:	BCom, CA, MB (Corporate Governance), FGIA, GAICD
Experience and expertise:	<p>Anne rejoined Sexual Health Victoria's Board in 2023, following a long career in corporate governance, directorial and executive roles in the health and professional sectors. She is a former Chair of our Board and has continued as a member of our Finance & Audit Committee</p> <p>With extensive experience in governance, risk management and compliance, Anne brings with her a passion for excellence in customer service and informed decision-making. She is currently: Deputy Chairman of Alfred Health, Chair of its Finance Committee and a member of both the Audit & Risk Committee and the Remuneration Committee, an Independent Member of the Risk and Audit Committee at Scope (Aust) Ltd and an Independent Member of the Finance and Risk Management Committee of the Royal Australasian College of Physicians.</p> <p>Anne is enthusiastic about delivering high levels of customer, employee and stakeholder satisfaction. She has formal training and qualifications in commerce, governance and is a Chartered Accountant. She is a graduate of the Australian Institute of Company Directors (AICD) and a Fellow of the Governance Institute of Australia.</p>
Special responsibilities:	Member, Finance and Audit Committee, Box Hill Building Sub-Committee

Ann Maree Keenan	
Title:	Ms
Qualification:	Bachelor of Nursing; Grad Dip Advanced Nursing (La Trobe University), Master Enterprise (University Melbourne), GAID, Williamson Community Leadership Fellow, MACN
Experience and expertise:	<p>Appointed to the Board as non-executive Director in 2020.</p> <p>Ann Maree is a registered nurse with clinical experience across a range of specialties. She has an extensive background in professional leadership and health service operations including over 15 years as a health service executive and within the department of health. She is passionate about the role of nurses and midwives in health care and in advancing the health system safety and quality agenda.</p> <p>Ann Maree is a Fellow of the Williamsons Community Leadership program and a graduate of the Australian Institute of Company Directors. In 2020 Ann Maree was named in the Victorian Institute of Public Administration Australia top 50 public sector women as recognition of her leadership, inspiration and contribution to the public service.</p> <p>Ann Maree serves on a number of other boards.</p> <p>Ann Maree's special interests include governance, leadership, quality and consumer experience.</p>
Special responsibilities:	Chair, Quality and Risk Committee

John Kuot	
Title:	Mr
Qualification:	BBA & International Studies, Flinders University; MBA, RMIT, MPA-Economic Policy, Columbia University
Experience and expertise:	<p>Appointed to the Board as a non-executive director in 2021.</p> <p>John is a multidisciplinary professional with extensive experience across finance, government, technology and the community sector.</p> <p>John takes a vision and makes it a reality through sound strategy development. He intuitively sees the threads of opportunity that wind through an organisation, brings them together into a coherent whole, helps others extend their thinking, and drives material business advantage.</p>

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For the year ended 30 June 2023

	<p>John is currently a Principal Adviser with the Victorian Government and was previously a lending specialist with Westpac Banking Corporation.</p> <p>In 2016, John, with a group of South Sudanese youths, started a Youth-led organisation named SSAYU, which currently supports thousands of South Sudanese young people across Victoria. John is a Williamson alumnus, holds an MBA from RMIT, and is currently completing a Masters of Economic Policy at Columbia University as a Fulbrighter.</p>
Special responsibilities:	Chair, Finance & Audit Committee

Angela Lu	
Title:	Dr
Qualification:	MBBS, FRANZCOG, CCPU
Experience and expertise:	<p>Appointed to the Board as a non-executive director in 2022.</p> <p>Angela is an obstetrician and gynaecologist holding a Fellowship with the Royal Australian and New Zealand College of Obstetricians and Gynaecologists (RANZCOG). Angela has a long-term interest in women's reproductive and sexual health and is currently a Consultant Gynaecologist within the Abortion and Contraception Service at the Royal Women's Hospital. Angela also works as a Consultant Obstetrician at Monash Health providing pregnancy care.</p> <p>In addition to her clinical duties, Angela is also actively involved with Quality and Safety improvement committees.</p>
Special responsibilities:	N/A

Anna Wilkinson	
Title:	Dr
Qualification:	BNursing, Griffith University, MPH, University of Melbourne, PhD, Monash University
Experience and expertise:	<p>Anna is a Research Fellow with the Burnet Institute working in the Disease Elimination Program, specifically the EC Partnership which focuses on eliminating hepatitis C. She completed her PhD in 2016 at the Burnet Institute and Monash University, which examined the epidemiology and prevention of HIV and other sexually transmissible infections. Anna has an extensive clinical background, including work in rural and remote Australia and the UK. She is passionate about public health and using quantitative data to inform policy.</p>
Special responsibilities:	Member, Quality and Risk Committee, Box Hill Building Sub-Committee, Company Secretary

Carolyn Morris	
Title:	Ms
Qualification:	MBA, Australian Graduate School of Management, BCom, University of Melbourne
Experience and expertise:	<p>Appointed to the Board as a non-executive director in 2018.</p> <p>Carolyn is Chief Executive Officer of YMCA Victoria. Since joining, Carolyn has been strategically overseeing the organisation's 150 locations across Camps, Recreation, Children's Programs, Youth Services, Kingswim and Action Sport.</p> <p>Carolyn has 18 years' experience leading organisations spanning childcare, aged care and retail banking, with a reputation for transforming customer experience, world-class employee engagement results and exponential growth. Carolyn was previously a Chief Financial Officer for five years both in Australia and the USA.</p> <p>In 2017, Carolyn chose to dedicate her life to social justice issues. Carolyn is currently the Chair of the YMCA Worldwide Network of CEOs and has previously volunteered as a Director and Treasurer of Fitted for Work and RMIT social ventures.</p>
Special responsibilities:	Board Chair (Appointed 2022) Member, Finance & Audit Committee

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Directors' Report

For the year ended 30 June 2023

Caroline Mulcahy (Resigned September 2022)	
Title:	Ms
Qualification:	MSc (Health and Research Methods), GAICD
Experience and expertise:	<p>Caroline was appointed as Chief Executive Officer at the Skin Health Institute in 2019. Caroline's previous roles have concentrated her expertise and leadership on strategy, business improvement, change management, governance, and people and risk management. Prior to joining the Institute, Caroline was the National General Manager at the Heart Foundation, where she was responsible for the transformation and transition of the organisation from nine separate entities to one, unified organisation.</p> <p>Caroline has extensive Board and CEO experience, which includes Carers Victoria (2010-2017) and Melbourne IVF (2004-2009). Caroline has a clinical background and more than 35 years of health experience in clinical care, operational and strategic planning and senior management roles. Caroline has held several Board positions and is currently the Secretary for Pink Phoenix, a breast cancer survivor Dragonboat sporting club.</p>
Special responsibilities:	Member, Strategy Sub-committee

Daniel Wilson	
Title:	Dr
Qualification:	BBiomedSc(Hons) MD Grad Dip Clin Ed Grad Cert ClinSim Cert Gov & Risk Mgt MHLM FACRRM DRANZCOG(Adv) AFRACMA AFCHSM AICGG MAICD Rural Generalist & GP Obstetrician
Experience and expertise:	<p>Dr Dan Wilson a Rural Generalist and GP Obstetrician. As a clinician, Dan has experience in sexual health, Women's Health, contraceptives, gender-affirming care and clinical governance. Dan holds qualifications as a Fellow of Australian College of Rural and Remote Medicine (FACRRM), an Associate Fellowship of the Royal Australasian College of Medical Administrators (AFRACMA), an Associate Fellowship of Australasian College of Health Service Managers (ACHSM) and is an Advanced Diplomate with the Royal Australian and New Zealand College of Obstetricians and Gynaecologists (DRANZCOG Advanced).</p> <p>Dan is an experienced board director with interests and skills in risk management, strategy, performance evaluation, change management and transformation. Dan holds a Master in Health Leadership and Management (MHLM), Certificate in Governance and Risk Management, he is a Graduate of the Australian Institute of Clinical Governance (AICGG), and a Member of the Australian Institute of Company Directors (MAICD). Dan serves on other non-profit boards with interests in health, education, training and quality improvement.</p>
Special responsibilities:	Member, Quality and Risk Committee

Stelvio Vido	
Title:	Mr
Qualification:	BCom, LLB, University of Melbourne; MBA, Melbourne Business School; GAICD
Experience and expertise:	<p>Appointed to the Board as a non-executive director in 2020.</p> <p>Stelvio is an experienced Board Director and Chair with over 20 years Board experience across a range of sectors including health and human services, group training and employment services, community legal aid and TAFE.</p> <p>He also has extensive executive experience having worked in senior roles in community organisations, management consulting, local government and commercial media. His most recent executive role was CEO of Spectrum Migrant Resource Centre. Since then he has focussed on governance roles in 'for purpose' organisations.</p> <p>He has a strong skillset in leadership, general management, business development, and corporate governance.</p> <p>Stelvio is currently a Director of Latrobe Community Health Service Ltd, Windana Drug and Alcohol Recovery Ltd, and Lengo Football Academy.</p>
Special responsibilities:	Member, Finance & Audit Committee

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For the year ended 30 June 2023

Sarah White (Resigned October 2022)	
Title:	Dr
Qualification:	BSc (Hons) Melbourne University, PhD (paediatrics) Melbourne University, MAICD
Experience and expertise:	<p>Sarah was appointed director of Quit Victoria, the peak tobacco control body in Victoria, in 2014. Prior to this appointment, she had been the director of communications and fundraising at the Royal Women's Hospital for five years, with executive oversight of the hospital's research portfolio. Sarah also spent seven years heading up the communications efforts of the Ludwig Institute for Cancer Research, an international research institute based in New York. After obtaining her PhD in paediatric genetics at the Murdoch Children's Research Institute (Melbourne), Sarah spent several years undertaking molecular research in breast cancer at University College London.</p> <p>Sarah has extensive experience in stakeholder management and media relations, particularly in communicating medical research. She also has a strong track record in policy development and government relations. Sarah has been Australia's leading national spokesperson for tobacco control issues since 2015.</p>
Special responsibilities:	Board Deputy Chair (Appointed 2022) Chair, Strategy Sub-Committee

Ricki Vinci	
Title:	Ms
Qualification:	CA, Institute of Chartered Accountants Australia, Grad Dip Psych, University of Melbourne, Grad Dip Accg, Monash University, Grad Dip Med Sci & BAppSci (MLS), RMIT
Experience and expertise:	<p>Appointed to the Board as a non-executive director in 2023.</p> <p>Ricki is the Chief Financial Officer and Company Secretary of CatholicCare Victoria Housing (CCVH). Ricki is an experienced Chartered Accountant, Financial Manager and Company Secretary, with leadership experience in governance, strategy development, risk management and compliance, business development and IT.</p> <p>Prior to joining CCVH, Ricki was CFO and Company Secretary at Safe Steps. Before that, her career spanned the private and public hospital sector, consulting with a professional services firm, including general management, strategic development, finance and accounting roles at Cohealth, The Women's Hospital, Mayne Health and PricewaterhouseCoopers.</p> <p>In 2015, Ricki chose to pursue her passion to make a difference in social justice by working in the not-for-profit sector to give back and make a difference.</p>
Special responsibilities:	Member, Finance and Audit Committee

Ines Rio (Appointed 1 July 2023)	
Title:	A/Prof
Qualification:	<i>MBBS (Monash University); Master of Public Health (University Melbourne), Master Health and Medical Law (University Melbourne), FRACGP, FAICD, DRACOG, GradDipVen</i>
Experience and expertise:	<p>Ines is a specialist general practitioner with several postgraduate medical qualifications relevant to the provision of clinical care and the optimisation of healthcare systems. Over the past two decades, Ines has combined her clinical work as a general practitioner with a special interest in the care of marginalised and vulnerable women with medical advisory, health care system governance and reform and leadership roles.</p> <p>Ines has extensive experience in Board and high-level committee work, including membership on the Victorian Human Research Ethics Committee, the Medical Board of Victoria and in advisory committees for the Federal and Victorian Health Departments.</p> <p>As well as working as a GP in both the community and at The Royal Women's Hospital where she also Heads the GP Liaison Unit, Ines is currently Chair of the Board of North Western Melbourne PHN (and Chair of its Clinical Council) and on the TGA Advisory Committee on Vaccines.</p>
Special responsibilities:	

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Directors' Report

For the year ended 30 June 2023

Meetings of board members

The number of meetings of the SHV's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2023, and the number of meetings attended by each director were:

	Directors' meetings			
	Full board		Committees	
	<i>Eligible</i>	<i>Attended</i>	<i>Eligible</i>	<i>Attended</i>
Anne Howells	2	2	2	2
Ann Maree Keenan	6	6	4	4
Daniel Wilson	1	1	4	3
John Kuot	6	3	5	4
Angela Lu	6	3	0	0
Carolyn Morris	6	6	5	3
Caroline Mulcahy	1	1	0	0
Stelvio Vido	6	5	5	4
Sarah White	2	2	0	0
Anna Wilkinson	6	6	4	4
Ricki Vinci	2	2	1	1

Matters subsequent to the end of the financial year

No matters or circumstances have arisen since 30 June 2023 that have significantly affected, or may significantly affect SHV's operation, the results of those operations, or the organisation's state of affairs in future financial years.

Auditor's independence declaration

The lead auditor's independence declaration for the year ended 30 June 2023 has been received and can be found immediately after this directors' report.

Signed in accordance with a resolution of the members of the board.



Board Chair

Dated this 5th day of September 2023

AUDITOR'S INDEPENDENCE DECLARATION

RSM Australia Partners

12 Anderson Street West, Ballarat VIC 3350

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As lead auditor for the audit of the financial report of Sexual Health Victoria Inc. for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in Section 60.40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS



JOHN FINDLAY

Partner

Ballarat, Victoria

Dated this 6th day of September 2023

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SEXUAL HEALTH VICTORIA INC.

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Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue			
Revenue	2.1	7,435,260	6,571,464
Other income	2.2	325,591	236,541
Total revenue		7,760,851	6,808,005
Expenses			
Employee benefits expense	3.1	5,494,651	5,670,381
Other expenses	3.3	1,773,751	1,500,988
Depreciation & amortisation	4.3	348,756	356,673
Impairment of asset	4.1	179,540	0
Finance costs		15,744	21,380
Total expenses		7,812,442	7,549,422
Deficit before income tax		(51,591)	(741,417)
Income tax expense		0	0
Deficit for the year after tax		(51,591)	(741,417)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		0	0
Other comprehensive income for the year		0	0
Total comprehensive loss for the year		(51,591)	(741,417)

The accompanying notes form part of these financial statements

SEXUAL HEALTH VICTORIA INC.

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Statement of Financial Position

As at 30 June 2023

ASSETS	Note	2023 \$	2022 \$
Current Assets			
Cash and cash equivalents	6.1	1,774,918	1,690,768
Trade and other receivables	5.1	67,901	72,130
Financial assets	4.4	1,672,907	1,597,656
Other assets	5.2	45,272	54,759
Inventories	5.3	10,194	5,987
Total Current Assets		3,571,192	3,421,300
Non-Current Assets			
Property, plant and equipment	4.1	1,374,613	1,716,144
Right-of-use assets	4.2	192,334	276,638
Intangible assets	4.5	18,189	81,775
Total Non-Current Assets		1,585,136	2,074,557
TOTAL ASSETS		5,156,328	5,495,857
LIABILITIES			
Current Liabilities			
Trade and other payables	5.4	484,502	634,426
Lease liabilities	6.2	107,340	103,077
Employee benefit provisions	3.2	1,059,985	1,101,292
Total Current Liabilities		1,651,827	1,838,795
Non-Current Liabilities			
Trade and other payables	5.4	20,000	20,000
Lease liabilities	6.2	103,411	189,452
Employee benefit provisions	3.2	78,547	93,476
Total Non-Current Liabilities		201,958	302,928
TOTAL LIABILITIES		1,853,785	2,141,723
NET ASSETS		3,302,543	3,354,134
EQUITY			
Reserves		5,827	5,827
Retained surpluses		3,296,716	3,348,307
TOTAL EQUITY		3,302,543	3,354,134

The accompanying notes form part of these financial statements

SEXUAL HEALTH VICTORIA INC.

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Statement of Changes in Equity
For the year ended 30 June 2023

	Retained surpluses \$	Reserves \$	Total \$
2023			
Balance at 1 July 2022	3,348,307	5,827	3,354,134
Deficit for the year	(51,591)	0	(51,591)
Balance at 30 June 2023	3,296,716	5,827	3,302,543
2022			
Balance at 1 July 2021	4,089,724	5,827	4,095,551
Deficit for the year	(741,417)	0	(741,417)
Balance at 30 June 2022	3,348,307	5,827	3,354,134

The accompanying notes form part of these financial statements

SEXUAL HEALTH VICTORIA INC.

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Statement of Cash Flows

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from grant (including GST)		5,383,646	5,257,340
Receipts from Operations & Other Income (including GST)		2,732,486	2,141,771
Payments to suppliers and employees (including GST)		(7,529,992)	(7,383,067)
Interest received		54,215	12,471
Finance costs		(15,744)	(21,380)
GST refunded from ATO		(344,556)	(327,269)
Net cash provided by/(used in) operating activities	6.1.1	280,055	(320,134)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment and intangible assets		(38,876)	0
(Purchase)/redemption of financial assets		(75,251)	493,646
Net cash (used in)/provided by investing activities		(114,127)	493,646
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment for lease liabilities		(81,778)	(97,694)
Net cash used in financing activities		(81,778)	(97,694)
Net increase in cash and cash equivalents held		84,150	75,818
Cash and cash equivalents at beginning of financial year		1,690,768	1,614,950
Cash and cash equivalents at end of financial year	6.1	1,774,918	1,690,768

The accompanying notes form part of these financial statements

Notes to the Financial Statements

For the year ended 30 June 2023

Note 1 Summary of Significant Accounting Policies

The financial statements cover SHV as an individual entity. SHV is an incorporated Association incorporated in Victoria under the *Associations Incorporation Reform Act 2012 (Vic)*.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

SHV has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

No new or amended Accounting Standards or Interpretations that are not yet mandatory have been early adopted.

Basis of preparation

In the directors' opinion, SHV is not a reporting entity because there are no users dependent on general purpose financial statements. There is regular reporting to the funding bodies and/or they can command financial information on request.

These are special purpose financial statements that have been prepared for the purposes of complying with the *Associations Incorporation Reform Act 2012 (Vic)*, the *Australian Charities and Not-for-profits Commission Act 2012* and associated regulations. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of SHV.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying SHV's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in the relevant notes.

a) SHV details

The registered office and principal place of business of SHV is:

901 Whitehorse Road
Box Hill VIC 3128

b) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 gross 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 included in receipts from customers or payments to suppliers.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 1 Summary of Significant Accounting Policies (cont.)

c) Income tax

No provision for income tax has been raised as SHV is exempt from income tax pursuant to Division 50, section 50-10 of the *Income Tax Assessment Act 1997*.

d) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when:

- it is either expected to be realised or intended to be sold or consumed in SHV's normal operating cycle
- it is held primarily for the purpose of trading
- it is expected to be realised within 12 months after the reporting period
- the asset is cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the SHV's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

e) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

SEXUAL HEALTH VICTORIA INC.

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Notes to the Financial Statements

For the year ended 30 June 2023

Note 2 Funding Delivery of Our Services

SHV derives income from the provision of education, training and clinical reproductive and sexual health services. The Victorian State Government Grant is applied against agreed health promotion priorities.

- 2.1: Revenue
- 2.2: Other income

	2023	2022
	\$	\$
Note 2.1: Revenue		
Grant revenue	4,990,502	4,638,703
Clinical services revenue	1,553,980	1,187,844
Education services revenue	890,778	744,917
Total revenue	<u>7,435,260</u>	<u>6,571,464</u>
Note 2.2: Other income		
Rental income	225,697	196,526
Interest income	54,215	12,478
Miscellaneous income	29,531	15,029
Donation income	7,395	6,685
Resource sales revenue	8,038	5,058
Member subscriptions revenue	715	765
Total other income	<u>325,591</u>	<u>236,541</u>

Revenue recognition

All revenue is stated net of the amount of goods and services tax (GST).

Grant revenue with sufficiently specific and enforceable performance obligations

Grant funds received by SHV that have sufficiently specific and enforceable performance obligations, in accordance with AASB 15, are recognised as a contract liability on receipt and are recognised as revenue, over time, as SHV satisfies its performance obligations.

Grant income without sufficiently specific and enforceable performance obligations

Grant funds received by SHV that do not have sufficiently specific and enforceable performance obligations are recognised as income on receipt of the funds.

Clinical and education services revenue

Clinical and education services revenue is recognised over time as services are provided.

Rental income

Rental income is recognised on a straight-line basis over the term of the lease.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 2 Funding Delivery of Our Services (Cont.)

Interest income

Interest income is recognised on an accrual basis using the effective interest method.

Donation income

Donation income is recognised when SHV gains control of the funds and when the funds provided do not give rise to an obligation.

Resource sales

Revenue from resource sales comprises revenue earned from the sale of goods purchased for resale. Revenue is recognised when the control of goods passes to the customer.

Other income

Other income is recognised on receipt.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 3 The Cost of Delivering Services

This section provides an account of the expenses incurred by SHV in education, training and clinical services in reproductive and sexual health. In Note 2, the funds that enable the provision of services/products were disclosed and in this note the cost associated with provision of services are recorded.

- 3.1: Breakdown of employee benefits expenses
- 3.2: Provisions for employee benefits in the statement of financial position
- 3.3: Breakdown of operating expenses

	2023	2022
	\$	\$
Note 3.1: Breakdown of employee benefits expenses		
Salary and wages	4,953,492	5,140,392
Superannuation	494,668	491,984
Workcover	46,491	38,005
	<u>5,494,651</u>	<u>5,670,381</u>
Total employee benefits expenses		

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, and WorkCover premiums.

All employees of SHV who are members of SHV's default Superannuation fund Aware Super are entitled to benefits on retirement, disability or death.

Contributions are calculated in accordance with the Trust Deeds of the Superannuation Funds. Employer's contributions to all superannuation schemes are calculated at 10.5% (2022: 10.0%) of the employees' salary.

The amount paid to all Superannuation Funds, including employee after tax contributions, during the year was \$523,162 (2022: \$486,154). The amount of contributions outstanding at the end of the year was nil (2022: nil).

Note 3.2: Provision for employee benefits in the statement of financial position

	2023	2022
	\$	\$
<i>Current</i>		
Provision for annual leave	415,874	490,330
Provision for long service leave	635,803	600,342
Other provision	8,308	10,620
Total current employee benefits provisions	<u>1,059,985</u>	<u>1,101,292</u>
<i>Non-current</i>		
Provision for long service leave	78,547	93,476
Total non-current employee benefits provisions	<u>78,547</u>	<u>93,476</u>

Provision is made for SHV's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs and are recorded as a current liability.

SHV adopts the policy of accruing a long service leave liability for all employees and applies a probability percentage to those employees with less than 7 years' service. These employee benefits are recorded as a non-current liability.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 3 The Cost of Delivering Services (cont.)**Note 3.2: Provision for employee benefits in the statement of financial position (cont.)****Critical accounting estimates and judgments: Employee benefits**

As discussed above, the liability for employee benefits expected to be settled more than 12 months from the reporting date is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

	2023	2022
	\$	\$
Note 3.3: Breakdown of operating expenses		
IT related expenses	428,628	418,515
Project expenses	322,942	320,630
Consultancy & agency fees	255,248	119,006
Rental property expenses	133,872	135,501
Stock and consumables used	123,603	109,168
Cleaning	70,052	62,013
Professional development	45,861	49,398
Communications	44,543	39,417
Training course expenses	40,239	29,719
Advertising, marketing & branding	29,928	17,301
Remuneration of auditor - audit or review services	27,900	17,500
Repairs & maintenance	25,560	4,546
Risk management & quality expenses	23,483	1,455
Recruitment	21,969	7,610
Research expenses	16,211	8,000
Office & medical equipment	10,278	10,278
Staff & client amenities	9,926	11,011
Legal expenses	5,044	13,200
Other expenses	138,464	126,720
Total operating expenses	<u>1,773,751</u>	<u>1,500,988</u>

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. Other operating expenses are recognised as an expense in the reporting period in which they are incurred.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 4 Key Assets to Support Service Delivery

SHV controls infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources to be utilised for delivery of those outputs.

- 4.1: Property, plant and equipment
- 4.2: Right-of-use assets
- 4.3: Depreciation
- 4.4: Financial assets
- 4.5: Intangible assets

2023
\$2022
\$**Note 4.1: Property, plant and equipment***Land*

Freehold land at cost

493,113

493,113

Total land**493,113****493,113***Buildings*

Buildings at cost

1,590,684

1,770,224

Less accumulated depreciation

(962,057)

(926,919)

Total buildings**628,627****843,305****Total land and buildings****1,121,740****1,336,418***Fit Out Costs*

Fit-out costs at cost

750,236

750,236

Less accumulated depreciation

(531,319)

(408,248)

Total fit-out costs**218,917****341,988***Plant and Equipment Costs*

Plant and equipment at cost

95,625

84,795

Less accumulated depreciation

(61,669)

(47,057)

Total plant and equipment**33,956****37,738****Total fit-outs and plant and equipment****252,873****379,726****Total property, plant and equipment****1,374,613****1,716,144**

Notes to the Financial Statements

For the year ended 30 June 2023

Note 4 Key Assets to Support Service Delivery (cont.)**Note 4.1: Property, plant and equipment (cont.)****i) Reconciliations of the carrying amounts of each class of asset**

	Land and buildings	Fit-out costs	Plant and equipment	Total
	\$	\$	\$	\$
2023				
Balance at 1 July 2022	1,336,418	341,988	37,738	1,716,144
Additions	0	0	10,830	10,830
Impairment of asset	(179,540)	0	0	(179,540)
Depreciation expense	(35,138)	(123,071)	(14,612)	(172,821)
Balance at 30 June 2023	1,121,740	218,917	33,956	1,374,613
2022				
Balance at 1 July 2021	1,371,559	465,058	53,777	1,890,394
Additions	0	0	0	0
Depreciation expense	(35,141)	(123,070)	(16,039)	(174,250)
Balance at 30 June 2022	1,336,418	341,988	37,738	1,716,144

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Land and buildings

Land and buildings are shown at cost less subsequent depreciation and impairment for buildings.

Property, plant and equipment

Property, plant and equipment are measured on the cost basis and are carried at cost less accumulated depreciation and any accumulated impairment losses.

Impairment of assets

At each reporting date, SHV reviews the carrying values, remaining useful lives and other conditions of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an assessment to determine any impairment is conducted with any impairment losses recognised in the statement of profit and loss and other comprehensive income.

Critical accounting estimates and judgments: Impairment of non-financial assets

SHV assesses impairment of non-financial assets and other indefinite life intangible assets at each reporting date. If an impairment trigger exists, impairment is determined which incorporate a number of key estimates and assumptions.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 4 Key Assets to Support Service Delivery (cont.)

	2023	2022
	\$	\$
Note 4.2: Right-of-use assets		
<i>Non-Current</i>		
Buildings	500,186	500,186
Less accumulated depreciation	(328,887)	(246,665)
Total buildings right-of-use assets	171,299	253,521
Motor vehicles	131,232	103,186
Less accumulated depreciation	(110,197)	(80,069)
Total motor vehicles right-of-use assets	21,035	23,117
Total right-of-use assets	192,334	276,638

Reconciliations of the carrying amounts of each class of asset

	Buildings	Motor vehicles	Total
	\$	\$	\$
Year ended 30 June 2023			
Balance at the beginning of year	253,521	23,117	276,638
Addition	0	28,046	28,046
Depreciation	(82,222)	(30,128)	(112,350)
Balance at the end of the year	171,299	21,035	192,334
Year ended 30 June 2022			
Balance at the beginning of year	335,742	49,807	385,549
Depreciation	(82,221)	(26,690)	(108,911)
Balance at the end of the year	253,521	23,117	276,638

Right-of-use asset recognition

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date, net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where SHV expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

SHV has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

SEXUAL HEALTH VICTORIA INC.

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Notes to the Financial Statements

For the year ended 30 June 2023

Note 4 Key Assets to Support Service Delivery (cont.)

	2023 \$	2022 \$
Note 4.3: Depreciation		
Buildings	35,138	35,141
Fit-out costs	123,071	123,070
Plant and equipment	14,612	16,039
Buildings – right-of-use assets	82,222	82,221
Motor vehicles – right-of-use assets	30,128	26,690
Total depreciation	285,171	283,161
Total amortisation	63,585	73,512
Total depreciation & amortisation	348,756	356,673

The depreciable amounts of all fixed assets are depreciated on a straight-line basis over the useful lives of the assets to SHV 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	2% – 20%
Fit-out costs	12.5% – 20%
Plant and equipment	20% – 33%
Right of use assets	6-18% - 10.18%

SHV leases approximately 782 squares metres of the Box Hill property to other parties.

	2023 \$	2022 \$
Note 4.4: Financial assets		
<i>Current</i>		
Term deposit	1,672,907	1,597,656

Financial assets recognition

Note 7.1 details recognition policies in relation to financial assets.

	2023 \$	2022 \$
Note 4.5: Intangible assets		
<i>Non-current</i>		
Intangibles – Learning Management System at cost	367,550	367,550
Less amortisation	(349,361)	(285,775)
Total intangible assets	18,189	81,775

Reconciliations of the carry amounts

	Learning Management System \$	Total \$
2023		
Balance at 1 July 2022	81,775	81,775
Amortisation	(63,585)	(63,585)
Balance at 30 June 2023	18,189	18,189
2022		
Balance at 1 July 2021	155,286	155,286
Amortisation	(73,512)	(73,512)
Balance at 30 June 2022	81,775	81,775

Notes to the Financial Statements
For the year ended 30 June 2023

Note 4 Key Assets to Support Service Delivery (cont.)

Note 4.5: Intangible assets (cont.)

Intangible assets recognition

Internally developed software

Expenditure on the research phase of projects to develop new customised software is recognised as an expense as incurred. Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided they meet the recognition requirements of AASB 138.

Costs that are directly attributable include employees' costs incurred on software development.

Subsequent measurement

Intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. The useful lives of Learning Management System Online Courses is 5 years.

Subsequent expenditures on the maintenance of computer software are expensed as incurred.

Critical accounting estimates and judgments: Estimation of useful lives of assets

SHV determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Notes to the Financial Statements
For the year ended 30 June 2023

Note 5 Other Assets and Liabilities

This section sets out those assets and liabilities that arose from SHV's operations.

- 5.1: Trade and other receivables
- 5.2: Other assets
- 5.3: Inventories
- 5.4: Trade and other payables

	2023	2022
	\$	\$
Note 5.1: Trade and other receivables		
Trade receivables	60,517	61,765
Other receivables	7,384	10,365
Total trade and other receivables	<u>67,901</u>	<u>72,130</u>

Receivables recognition

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days from date of invoice.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

	2023	2022
	\$	\$
Note 5.2: Other assets		
Prepayments	45,272	54,759
Total other assets	<u>45,272</u>	<u>54,759</u>

Other assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Note 5.3: Inventories

Resources – at cost	566	1,358
Medical supplies – at cost	9,628	4,629
Total inventories	<u>10,194</u>	<u>5,987</u>

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

Note 5.4: Trade and other payables

Current

Trade payables	114,366	140,576
Other payables and accruals	243,657	258,527
Revenue received in advance	0	853
Education revenue received in advance	74,649	87,211
Grant revenue received in advance	51,830	147,259
Total current trade and other payables	<u>484,502</u>	<u>634,426</u>

Non-current

Make good provision	20,000	20,000
Total non-current trade and other payables	<u>20,000</u>	<u>20,000</u>

Notes to the Financial Statements
For the year ended 30 June 2023

Note 5.4 Other Assets and Liabilities (cont.)

Payables recognition

Payables are classified as financial instruments and measured at amortised cost. These amounts represent liabilities for goods and services provided to SHV prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Provision recognition

Provisions are recognised when SHV has a present (legal or constructive) obligation as a result of a past event, it is probable SHV will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Notes to the Financial Statements
For the year ended 30 June 2023

Note 6 How We Finance Our Operations

This section provides information on the sources of finance utilised by SHV during its operations, along with other information related to financing activities of SHV.

This section includes disclosures of balances that are financial instruments.

6.1: Cash and cash equivalents

6.2: Lease liabilities

	2023	2022
	\$	\$
Note 6.1: Cash and cash equivalents		
<i>Current</i>		
Cash on hand	1,500	1,500
Cash at bank	1,773,418	1,689,268
Total cash and cash equivalents	<u>1,774,918</u>	<u>1,690,768</u>

Cash and cash equivalents include cash on hand, at banks, deposit held at call with banks, and other short term highly liquid investments with original maturities of three months or less.

Note 6.1.1: Reconciliation of net deficit to net cash flows from operations

	2023	2022
	\$	\$
Net deficit for the year	(51,591)	(741,417)
Reconciling items		
- depreciation and amortisation	348,756	356,673
- net loss on disposal of property, plant and equipment	179,540	0
- decrease/(increase) in trade and other receivables	4,229	(17,830)
- decrease in inventories	(4,207)	(932)
- (increase)/decrease in other assets	9,487	(6,960)
- increase/(decrease) in trade and other payables	(149,924)	(32,415)
- increase/(decrease) in employee benefits	(56,235)	122,747
Net cashflows provided by/(used in) operating activities	<u>280,055</u>	<u>(320,134)</u>

Note 6.2: Lease liabilities

Current

Lease liabilities	<u>107,340</u>	<u>103,077</u>
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Non-Current

Lease liabilities	<u>103,411</u>	<u>189,452</u>
Total lease liabilities	<u>210,751</u>	<u>292,529</u>

Lease liabilities recognition

SHV currently hold leases in relation to buildings and motor vehicles.

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, SHV's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 6 How We Finance Our Operations (cont.)

Note 6.2: Lease liabilities (cont.)

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Critical accounting estimates and judgments: incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what SHV estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 7 Risks, Contingencies and Valuation Uncertainties

SHV is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for SHV is related mainly to fair value determination.

7.1: Financial instruments

7.2: Contingent assets and contingent liabilities

Note 7.1: Financial instruments

Financial instruments arise out of agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. SHV applies AASB 9 and classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms.

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the group to collect the contractual cash flows; and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

SHV recognises the following assets in this category:

- cash and cash equivalents;
- receivables; and
- term deposits.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

SHV recognises the following liabilities in this category:

- payables;
- other financial liabilities; and
- lease liabilities.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 7 Risks, Contingencies and Valuation Uncertainties (cont.)

Note 7.1: Financial instruments (cont.)

Derecognition of financial assets and financial liabilities

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- SHV retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- SHV has transferred its rights to receive cash flows from the asset and either:
 - has transferred substantially all the risks and rewards of the asset; or
 - has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where SHV has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the SHV's continuing involvement in the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Reclassification of financial instruments

Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through profit or loss, fair value through other comprehensive income and amortised cost when and only when the SHV's business model for managing its financial assets has changed such that its previous model would no longer apply.

Financial risk management objectives and policies

SHV's activities expose it to some financial risks which need to be actively managed.

Market risk

SHV's exposure to market risk is primarily through interest rate risk

Interest rate risk

Changes in interest rates affect the ability for SHV to earn returns on investment. Management negotiates with banking institutions to get the best available rates for these deposit accounts. On this basis, SHV is exposed to interest rate risk although this risk is mitigated where possible.

Liquidity risk

Vigilant liquidity risk management requires SHV to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable. SHV manages liquidity risk by maintaining adequate cash reserves, by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Credit risk

SHV is not exposed to any significant credit risk.

Foreign currency risk

SHV is not exposed to any significant foreign currency risk.

SEXUAL HEALTH VICTORIA INC.

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Notes to the Financial Statements

For the year ended 30 June 2023

Note 7 Risks, Contingencies and Valuation Uncertainties (cont.)

Note 7.1: Financial instruments (cont.)

Price risk

SHV is not exposed to any significant price risk.

Note 7.2: Contingent assets and contingent liabilities

There are no known contingent assets or contingent liabilities for SHV as at 30 June 2023 (2022: NIL).

A bank guarantee of \$40,000 has been provided to Competitive Retail Australia P/L as security for the property at the SHV Melbourne Clinic, 94 Elizabeth Street, Melbourne (2022: \$40,000).

Notes to the Financial Statements

For the year ended 30 June 2023

Note 8 Other Disclosures

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

- 8.1: Related parties
- 8.2: Remuneration of the auditors
- 8.3: Issued but not yet effective Australian accounting and reporting pronouncements
- 8.4: Events occurring after balance sheet date

Note 8.1: Related parties*Transactions with related parties*

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

There were no material transactions with related parties during the current financial year.

Receivable from and payable to related parties

There were no material receivables from or payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

	2023 \$	2022 \$
Note 8.2: Remuneration of the auditors		
Audit of the financial statements	23,000	17,500
	<u>23,000</u>	<u>17,500</u>

Note 8.3: Issued but not yet effective Australian accounting and reporting pronouncements

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on financial statements
AASB 1060 <i>General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities</i>	This standard, together with other related amendments, removes the option for for-profit entities which prepare financial statements under the <i>Corporations Act 2001</i> or otherwise prepare financial statements in accordance with Australian Accounting Standards, to prepare General Special Purpose Financial Statements. Instead, they must prepare General Purpose Financial Statements under either Tier 1 (Full IFRS compliance) or Tier 2 (Specified Disclosure Requirements). As a not-for-profit SHV currently prepares Special Purpose Financial Statements.	Periods beginning on or after 1 July 2021	SHV continues to prepare special purpose financial statements as not for profit entities remain exempt from AASB 1060 pending further deliberation by the AASB.

SEXUAL HEALTH VICTORIA INC.

ABN 97 379 402 182

Notes to the Financial Statements

For the year ended 30 June 2023

Note 8.4: Events occurring after balance sheet date

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect SHV's operations, the results of those operations, or the SHV's state of affairs in future financial years.

SEXUAL HEALTH VICTORIA INC.

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Directors' Declaration

For the year ended 30 June 2023

In the directors' opinion:

- a. SHV is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the *Associations Incorporation Reform Act 2012*, the *Australian Charities and Not-for-profits Commission Act 2012* and associated regulations;
- b. the attached financial statements and notes comply with the Accounting Standards as described in note 1 to the financial statements;
- c. the attached financial statements and notes give a true and fair view of SHV's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- d. there are reasonable grounds to believe that SHV will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013* and a resolution of the Board of Directors.



Board Chair

Dated this 5th day of September 2023

INDEPENDENT AUDITOR'S REPORT To the Members of Sexual Health Victoria Inc.

RSM Australia Partners

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Opinion

We have audited the financial report of Sexual Health Victoria Inc., which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the financial report of Sexual Health Victoria Inc. has been prepared in accordance with the *Associations Incorporation Reform Act 2012 (Vic)* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2023 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Sexual Health Victoria Inc. in accordance with 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Independence

We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the responsible entities of Sexual Health Victoria Inc., would be in the same terms if given to the responsible entities as at the time of this auditor's report.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Sexual Health Victoria Inc. to meet the requirements of the *Associations Incorporation Reform Act 2012 (Vic)* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in Sexual Health Victoria Inc.'s annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

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Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, directors are responsible for assessing Sexual Health Victoria Inc.'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 Sexual Health Victoria Inc. or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our 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 the 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.



RSM AUSTRALIA PARTNERS



JOHN FINDLAY

Partner

Ballarat, Victoria

Dated this 6th day of September 2023