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## OUT

Lesbian/Gay/Bisexual/Transgender  
(LGBT) Well-Being

Annual Report 2011/12

Comprehensive community service  
delivery



## Message from the Board Chairperson & Director



In spite of the challenges our organisation faced in the previous financial year, we responded actively, creatively and vigorously to ensure that essential services continued to be rendered, and indeed strengthened. We have remained steadfastly loyal to our mission to provide direct services, including HIV testing, counselling, treatment and general lifestyle advice and support to the gay and lesbian community. In practical terms, our programmes also include advocacy, mainstreaming and lobbying for broader LGBT equality.

As our report shows, there has been significant uptake of our services, demonstrating on the one hand, a dire need from our communities, and on the other, confirming the quality and professionalism with which our services are offered. And beyond our local and provincial footprint, we actively led and participated in hate crime campaign work focusing on gay murders in Gauteng.

At a continental level, we continued to play an active role within the African Men for Sexual Health and Rights (AMSHer) forum, where we shared programmatic expertise and actively participated in the forum's work. Our staff have also not simply coordinated research activities in partnership with external agencies, but contributed to a critical knowledge-base by co-publishing research findings in high impact international journals. All of these activities have been pursued by dedicated staff and volunteers (new and established), ably led by a dedicated Director and supported by an active and talented Board.

I am also happy to report that we have improved our governance practices (particularly in terms of our fiscal controls and internal policy implementation) such that we continue to remain accountable to our clients, our funders, our staff, and all the stakeholders we interact with. Finally, while stigma, discrimination and multiple levels of oppression face our communities (lesbian women in particular are often the target of violent hate crimes), we are heartened by the strength, resilience and leadership in our organization to respond to these challenges. Thank you for your belief in OUT, for your commitments to our mission and programmes, and for being part of our future.

The Chairperson of the OUT Board  
Professor Vasu Reddy, Ph D



The 2011/12 OUT Annual Report is themed around the importance of comprehensive community service delivery. In this, it reflects much of OUT's work in the last year and I believe that it provides evidence for effective models of work. It combines and links macro-level efforts (policy inclusion and others) with micro-level work of delivering services and building on-going expertise.

OUT invested significantly in the inclusion of relevant targets in the new National Strategic Plan on HIV/AIDS and TB (2012-2016) and started to participate in the work of the Department of Justice and Constitutional Development's Chief Directorate for Vulnerable Groups. Our participation was informed by our direct services which experienced substantial growth. We reached 146 765 people with our direct services ranging from receiving Anti-Retroviral Therapy, to picking up a condom at a gay club. Over and above the direct service delivery and policy inclusion, we sensitised and trained mainstream service providers for competent delivery, mainly in the health care sector.

I want to say thank you to many people. Prof Juan Nel left the OUT Board after many years during which he became a great friend and mentor. Prof Vasu Reddy chaired the OUT Board with professionalism and dedication and Robert Cameron Ellis provided necessary financial expertise. Jacques Livingston, the health manager, resigned in December 2011 leaving a huge gap at OUT, given his ability to consistently develop and manage professional programmes. I also want to thank Bram Langen from the Schorer Foundation for being a friend of OUT over so many years.

Community groups like OUT continue to struggle to secure sustainable funding and our audited financial statements show a substantial drop in income. OUT has tightened its financial procedures significantly and has a clear sense of its finances for 2012/13. We have received an unqualified audit but would need to secure new funding in order to continue our business. It is my sincere hope that new opportunities will arise and that OUT will continue building its valuable contribution in South Africa and beyond.

The Director of OUT  
Dawie Nel

The impact of OUT's work can be seen in client numbers accessing direct services, how this knowledge is used to ensure broader societal justice, as well as equipping especially Government to provide competent services, and how OUT shares our knowledge and experience with others.

OUT provided expert services to a significant number of clients. The clinic had more than 1300 clients who received comprehensive HIV care and provided psychosocial services to 646 clients. Figures for the distribution of condoms and lubrication remained impressive with over 28 000 male safer sex packs distributed and 11 840 female safer sex packs distributed.

On-line prevention work took place through the Men2Men (close to 30 000 visitors) and Women2Women sites (13 326 visitors). The Play Safe programme conducted 544 HIV Counselling and Testing sessions with clients and had more than 2500 outreach contacts around risk reduction related to substance use and HIV risk.

Expertise from our services was used to train mainstream health care workers, with over 300 people being trained. Expertise generated through direct service provision also informed participation for the inclusion of targets within the National Strategic Plan on HIV/AIDS 2012-2016. OUT shared its programmatic expertise at the African Men for Sexual Health and Rights (AMSHer) forum and published in accredited journals.

A highlight of the year was the work done with Weber Wentzel Attorneys in the matter S v Madubaduba and 2 others. It relates to establishing the principle of hate crimes as aggravation in sentencing. OUT also co-ordinated a campaign to address the murders of 8 gay men in Gauteng.

Internally, the Health Manager Jacques Livingston resigned in December 2011. OUT embarked on a restructuring process that resulted in ending three staff contracts: the social worker (Trish Dzingirayi), the MRC outreach co-ordinator (Senkhu Maimane) and the receptionist (Iggy Mnisi). OUT is thankful to them for all their contributions over the years. Jay Matlou resigned in early 2012 and has contributed huge amounts of energy and expertise to OUT.

We welcomed a new clinic nurse, Gerard Damstra to the team and a new Health Manager, Xander Flemming, joined in March 2012. Moade Moadi joined as the new administrator and Brian Sibeko joined as the health project officer. OUT is also extremely honored to have Prof Frans Viljoen join the OUT Board as he brings vast human rights and legal expertise with him. The resignation of Prof Juan Nel from the Board will leave a huge gap in OUT.

The OUT policies on working hours, leave and over time were reworked and updated. On a financial level, the organisation had income to fulfill all its programmatic outputs in this period. There were new collaborations with ANOVA Health on the North West office/programme and the OUT clinic. Financial sustainability remains an issue and longer term fundraising is a priority. OUT has made great progress in ensuring all financial controls were tightened (especially in light of the theft and fraud uncovered in 2010), with regularly updated cash flows and monthly financial statements. The 2011/12 audited financial statements were unqualified.

## VISION AND MISSION OF OUT

OUT is dedicated to the building of healthy and empowered lesbian, gay, bisexual and transgender communities in South Africa and internationally. OUT wants to reduce heterosexism and homophobia in society. OUT works towards lesbian, gay, bisexual, transgender peoples' physical and mental health and related rights.

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### OUT would like to thank:

*Webber Wentzel Attorneys and in particular Kerry Williams and Nurina Ally. They have done pro-bono work on the hate crime case of Derek Masibuko over 4 years with great expertise and commitment. Also thank you to Melanie Judge, Steve Letsike, Advocate Kate Hofmeyer and Juan Nel for their contributions and expertise.*

*Parsley studios for their sterling work on the OUT and Men2Men and Women2Women sites.*

*Hannah Botsis for proof reading and copyediting the 2011/12 Annual Report.*

*Our partners at the African Men for Sexual Health and Rights which always kept us connected to struggles for equality in Africa.*

*The OUT peer educators. Brian Sibeko, Elliot Mabasa, Gene Mokoatlo, Themba Skhosana, Edwin Mamogoba, Tsepang Mhatha, Happy Phaleng, Fortune Yaka, Karabo Moagi, Kgomotso Seoketsa, Lesego Mohala, Themba Radebe, Samuel Nthusane, Agrippa Makhubela, Bongani Nawa.*

*The OUT outreach workers. Papi Nhlapo, Cyril Ndlovo, Vusi Skhosana, Mduduzi Nkosi, Shwane Malebye, Bongani Nawa, Elliot Mabasa, Edwin Mamogoba.*

*Jason Wessenaar who facilitated the OUT HIV+ support group until December 2011. Jason was brutally murdered in his home and may his soul rest in peace.*

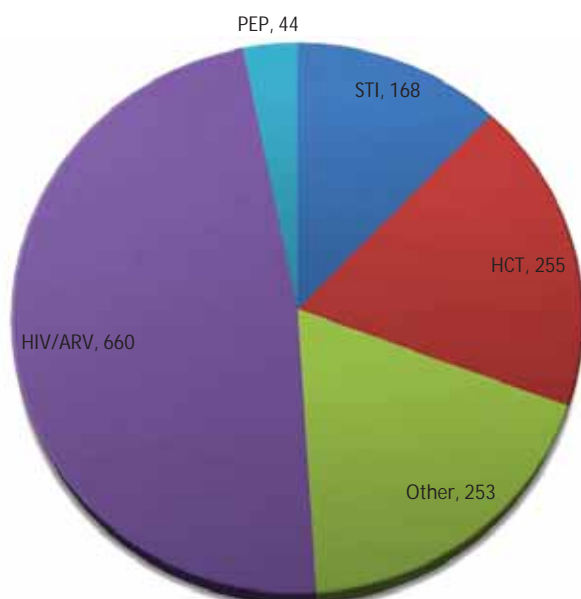
*Gerhard Lombard for his belief in OUT and assisting in so many ways.*

*Prof Vasi van Deventer and Sean Hagen from UNISA Department of Psychology.*

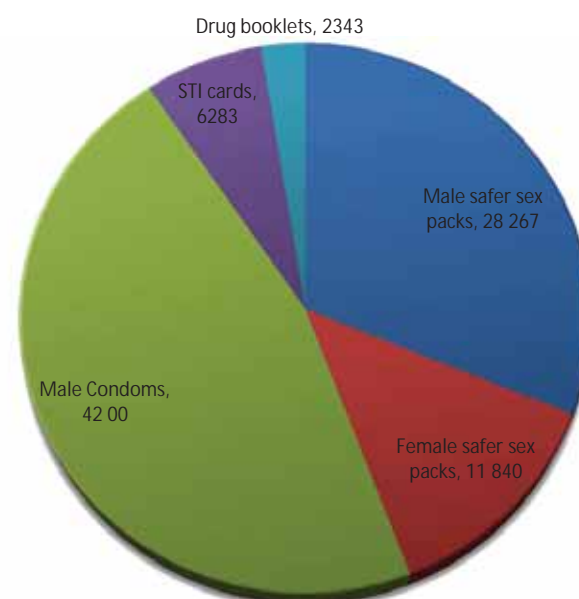
## DIRECT SERVICES AND THE YEAR IN NUMBERS

### 1. Health and Well-being Services

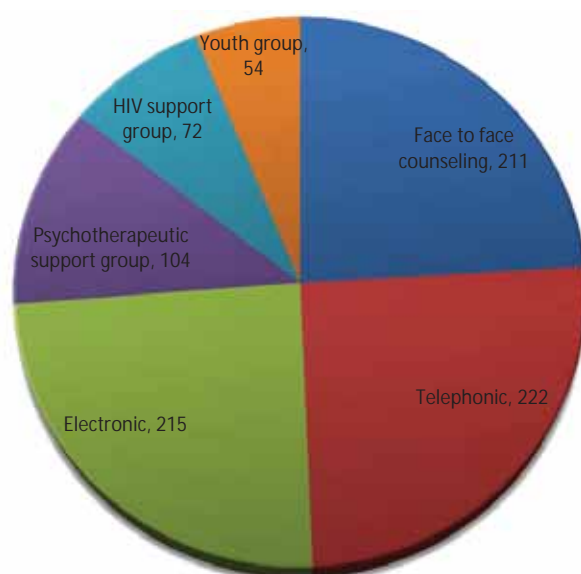
The clinic - 1380 appointments



Barrier Methods - 90 733 recipients



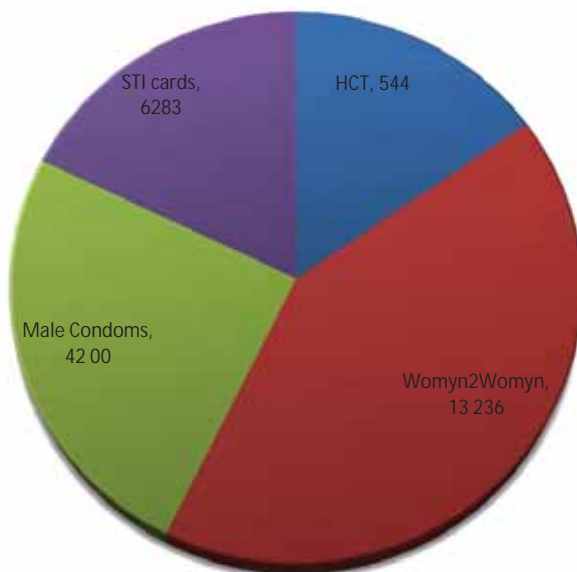
Psychosocial services - 878 clients



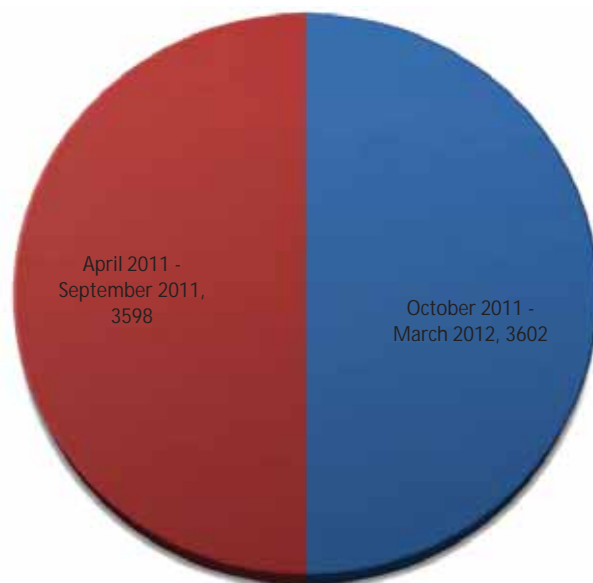
On-line interventions - 43 022 users



Play Safe Campaign - 3552 clients



Peer outreach contacts - 7200 contacts



OUT's direct services concentrate on physical and mental health, and reached 146 765 people over the last year. The clinic provided comprehensive HIV/AIDS testing, treatment and care. HIV/AIDS care was also provided through psychosocial services including various forms of counseling and support groups. The psychosocial services also served victims of hate crimes and anyone experiencing issues around their sexual orientation. HIV/AIDS prevention work involved the distribution of condoms and safer sex packs to LGBT venues in Pretoria, community outreach and on-line prevention.

The **Clinic** offered full HIV and STI screenings, Anti-Retroviral Therapy and provided Post Exposure Prophylaxis (PEP). The clinic is staffed by a full-time nurse and a part-time doctor one day per week. In spite of various efforts, the uptake on PEP remained low. OUT created a specific pamphlet which was widely distributed and a significant number of monthly posters focused on PEP.

In an on-line survey conducted it was found that over 50% of middle-class gay men did not know about PEP. This emphasises the importance of marketing and promotion of new HIV prevention technologies. A small research project was started in early 2012 to determine which issues compromise access to health facilities. It is being conducted in collaboration with UNISA's Department of Psychology and results will be available toward the end of 2012.

**Psychosocial services** offered telephone, face-to-face and on-line counseling. There was consistent growth in the face-to-face counseling numbers while the telephonic counseling numbers remained low. A reason may be that the service is only operational during office hours and there might be a need for this service outside of office hours. Support groups were consolidated and now comprise of a youth group and a group for HIV+ people. The youth group was popular, but there was more of a struggle in attracting numbers to the HIV+ group.

The **barrier method programme** distributed male safer sex packs that contain a condom, lubrication and marketing materials. These packs are distributed at gay venues, while condoms only are distributed at Men who have Sex with Men (MSM)-friendly venues. There has been a decline in the distribution of female safer sex pack (condom, femidom, lubrication and dental dam) based on questions around Women who have Sex with Women and safer sex. As from January 2012, the packaging of the male and female safer sex packs was changed to a translucent bag, which is much more cost effective while still being appealing. The very helpful OUT Z-fold STI cards maintained good levels of distribution, as did the booklet focusing on drugs and health.

OUT's **on-line prevention** is done through [www.men2men.co.za](http://www.men2men.co.za) and [www.womyn2womyn.co.za](http://www.womyn2womyn.co.za). The service picked up in the last quarter of the year and includes useful on-line information and a facility to ask "Dr Dick" and "Dr Delicious" questions. Visitors are mainly from South Africa but also include a significant number of international visitors. In the



new- year, these two sites will be revamped for a new look-and-feel, and will be made more user friendly. There are also plans to develop a mobi-site for the men2men site.

The **Play Safe Programme** continued to exceed programmatic targets and to address substance use and HIV risk. Activities include testing at gay friendly venues and outreach efforts to clients. Clients plan their own individual risk reduction plan and the OUT outreach workers then follow-up on the implementation of this plan. Testing took place at gay venues, usually on a Friday night. One of the challenges was what could be called 'venue fatigue', with only a limited number of gay venues, their patrons tend to be largely the same group of people. OUT initiated other possibilities such as testing at parties and other gay events. There were also some problems with the validity of the data as some outreach workers could not verify the follow-up questions. As a result these outreach workers contracts were terminated.

The OUT **peer education outreach programme** involved a group of highly enthusiastic and young gay men from Tshwane townships. There was significant investment in the personal development of the peer educators and they underwent regular individual mentorship sessions. This has resulted in high levels of commitment to, and enthusiasm in the programme. The peer educators met every two weeks to address their own growth, to report and monitor contacts in the previous two weeks and to plan for the upcoming two weeks.

## PEER EDUCATORS' POSITIVE STORIES

### KARABO MOAGI

I have worked at OUT for 3 years as a peer educator and have gained a lot over the years from OUT. I am at a point in my life where helping people, giving out information and telling others about the issues affecting the LGBTI community comes naturally. All of the things I have learned were somewhat of a burden at first because of the issues I had with my sexuality, but not so much anymore.

In my three years I came across a lot of people who had internalised homophobia and felt the need to conform to society, to blend in. I remember two men specifically, and they were gay men. I knew their experience because I also suffered from internalised homophobia and I was able to relate and help. I explained to them ways to understand human sexuality and also told them about services OUT offers. I am proud to mention that one of the guys is openly gay and is living a full satisfying life and the other moved out of the province.

Recently I have been working with one girl who identifies as a bisexual and she has been asking about methods of preventing risks of attracting STIs. At first she was not in tune with her sexuality and was abrasive about it, I had to help and I was able to sit down with her and explain risk reduction strategies and barrier methods. She came to my house fortnightly to collect Play Safe packs.

The work we do is not always easy because you have to find ways to start talking to someone, if they are open about their sexuality or not. But I believe that nothing in life comes easy and you have to work hard for those things that you love and enjoy. In the end, helping people and teaching them, formally or not, no matter how hard is actually a good.

I am proud to have worked for OUT and still am. I look forward to a lot and would be pleased to do more.

### GENE MOKOATLO

Being a part of OUT for a couple of years has built me and molded me into the human that I am. Throughout the years I have learned how to handle issues with my own sexuality, and how to address obstacles I come across which I couldn't answer before.

Through all the trainings and workshops I've been a part of I have learned how to address and resolve so many myths, misunderstandings and stereotypes in and around the LGBT community. I now understand what the sexual minorities go through in their everyday life.

As a peer educator I get to give back to my community and share all the information and experience I've acquired throughout the years. It means I also get to learn even more about myself and other LGBT people and I also get to meet more people, people who go through obstacles relating to their sexual preference.

Being a peer educator is both enriching and fulfilling as I get to learn and teach the world about tolerance and human sexuality. I am now a well- informed man and so grateful for the opportunity and for my journey as a peer educator. I'm willing to help those who need me and love the person I have become because of being an OUT peer educator.

## 2. Training and Development

Service	Numbers
Health care worker training	330
Study group	41
Public talks	450

The OUT training of health care workers is highly effective. It deals with central elements and definitions of sex, gender, sexual orientation and sexual behavior as well as the difficulties of stigma in the context of service provision. In addition it equips workers with skills to take a sexual history and for competent medical examinations.

One of the lessons is that mainstream service providers need to understand central concepts and confront their own prejudice before any 'hard information' can be introduced. The main target audience was health care workers and smaller numbers of teachers from the South African

Democratic Teachers Union also attended trainings. In addition, there were public talks which were broad two hour information sessions.



from 2012, a SMS service was introduced. The SMS database has grown from 583 to 697 clients in the January-March 2012 quarter.

**SEDIBA HOPE**  
MEDICAL CENTRE

**OUT**  
www.out.org.za

**Aids Fonds**

For more information on getting PEP and on other health services for guys who have sex with guys call OUT in Hatfield on 012 430 3272 or Sediba Hope Medical Centre in central Pretoria on 087 940 7584/5.

For sexual health tips, advice and more visit [www.men2men.co.za](http://www.men2men.co.za).

**ARE YOU CHEATING ON YOUR PARTNER?**

- Use condoms and water-based lubrication with ALL your partners - in and outside the relationship.
- If you have unsafe sex, you have 72 hours to get PEP to reduce your risk of becoming infected.
- If you have unsafe sex, get tested regularly. It could save you and your partner's lives.
- There are strategies for couples with different HIV statuses to continue to have sex and stay healthy. Get informed.

### 3. Marketing

OUT marketing consisted of general marketing as well as the promotion of bio-medical prevention. The programme promoting **bio-medical prevention** consisted of a formative survey on knowledge and attitudes towards Post Exposure Prophylaxis (PEP) that was conducted on-line in the latter half of 2011. Of the 201 respondents more than half have not heard of PEP while those who did had very high levels of knowledge. In addition, new posters were produced on a monthly basis all related to bio-medical prevention.

Themes covered included PEP, condoms and lubrication, sero-discordant couples, early and regular testing, and early treatment. These posters were distributed to sex venues such as Camp David and Sauna Boys. They also formed the basis of an advertisement that was placed on a monthly basis in "Exit", a gay newspaper, and as a digital advertisement on Mambaonline. They were also used for images shown in gay clubs, such as Babylon, on their video screens. Every month an article was produced on the specific month's focus and placed mainly in the gay press. There were attempts to place articles in the mainstream press which were not met with great success.

Three advertisements were placed in community and student newspapers. As a result of cost and that they attracted mainly non-gay clients, it was decided to refocus this intervention and

**OUT**  
www.out.org.za

**Aids Fonds**

For more information on HIV treatment and other health services for guys who have sex with other guys, call OUT on 012 430 3272 or check out [www.out.org.za](http://www.out.org.za) and [www.men2men.co.za](http://www.men2men.co.za)

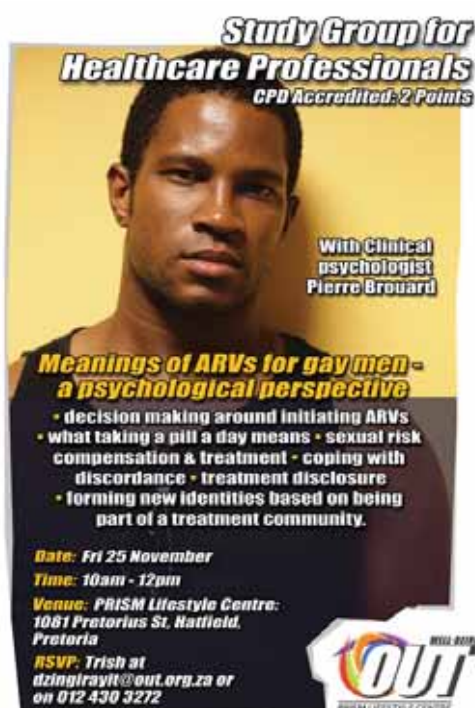
**EARLY TREATMENT COULD SAVE YOUR LIFE**

If you're HIV positive, starting treatment at the right time could make all the difference.

- Know your HIV status so that you can take action.
- Start treatment if your CD4 count is 350 or less.
- Being on treatment will help protect your partners.
- Starting treatment too late could damage your health.
- Lack of treatment could lead to your death.



The **general marketing** of OUT also proceeded well: there were 10 updates on events and polls on the Men2Men and Womyn2Womyn sites per quarter; there were 10 invites/newsletters per quarter and these were placed on Facebook and sent to the OUT database (2517 people); there were regular updates on the OUT website ([www.out.org.za](http://www.out.org.za)); and various press releases.



## 4. OUT/Health4Men North West

Service	Numbers
IEC materials distributed	1780
Peer education contacts	710
Condoms distributed	19 200
Lubricant distributed	9 600
Risk reduction workshops	16
HCT	72

For the financial year, OUT in collaboration with Health4Men managed a service in the North West province, with an office in Mafikeng. This service was ended in December 2011. The programme was the first of its kind to establish direct services in a rural province and there are many lessons to be learned. On a programmatic level, the peer education programme struggled to achieve targets due to the small concentration of clients within one town.

Usually the services attracted the same people making it very costly and creating over-dependency. One of the successes was to secure a Memorandum of Understanding (MOU) with the North West Department of Health to train health care workers and it is unfortunate that the actual trainings could not have been part of this programme. It was also difficult to conduct HCT's due to the small number of MSM clients within a specific town. OUT wants to thank Hennie Baird and Millie Maropofela for their enthusiasm and effort.

## MACRO ADVOCACY AND REPRESENTATION

### 1. Advocacy, hate crimes and representation

#### Hate crimes

In the case of *S v Madubaduba and 2 Others*, OUT represented by Webber Wentzel Attorneys, was successfully admitted as amicus curiae in the sentencing phase of a hate crime trial in the Germiston Magistrates Court. It was groundbreaking in that OUT was the first organisation to be successfully admitted as amicus curiae in a criminal trial in the magistrates court. It was also the first time that a LGBT-rights organisation led evidence to ensure that sentencing in homophobia related crimes take into account the element of hate in the committing of a crime. Subsequent to the sentencing by the Germiston Magistrates Court, OUT is now taking the matter on appeal to the High Court to establish the principle of hate crime as an aggravating factor in sentencing.

In early 2012 OUT took on the matter of the murders of 8 gay men in Gauteng. This followed the murder of Jason Wessenaar in December 2011, who has been a great friend of OUT. Since early 2010, 8 gay men have been murdered in Gauteng and there has been a similar modus operandi in

these cases: there was no forced entry, nothing substantial was stolen, and the victims all used the internet for making sexual contacts. To date there have been no arrests. OUT started working with the families and friends of the victims to ensure swift justice. In the regular meetings, OUT collated all facts and this was given to the Police. Unfortunately there has been very little response and collaboration from the Police. The OUT team started working with a private investigation firm on this matter and aims to provide a convincing report with all facts to the Police with the hope that this will result in successful arrests and convictions.

OUT has started participating in the Department of Justice Task Team for Vulnerable Groups. Over and above representation, OUT will concentrate on operational plans to address hate crimes and the need for resources. OUT's current capacity to address hate crimes in a programmatic way is limited. In assessing our own work, OUT has developed its HIV/AIDS programming, to the detriment of hate crimes work, to some extent. At the same time, the LGBT sector's capacity is also low and hate crimes against LGBT people are not effectively addressed.

#### HIV/AIDS

OUT has played an active role in organising a workshop to develop a national plan to meet the targets in the Government's National Strategic Plan on HIV/AIDS (NSP 2006-2011). Following this plan, work continued to ensure the inclusion of relevant targets for the NSP 2012-2016. OUT represented MSM and LGBT issues within the South African National AIDS Council's (SANAC) Programme Implementation Committee and various other tasks teams.

The SANAC LGBT Sector's capacity is low and this hinders optimal participation in processes. In August 2011, there were further engagements with local community groups on the draft national plan and their role and capacity within this. The plan remains a good basis for departure in conceptualising programmes to meet the targets of the NSP 2012-2016.

## 2. Research

Collaborative work continued on the study *HIV and Sexual Risk in Tshwane Townships*. This 4 year study is done in collaboration with Prof Theo Sandfort (Columbia University) and Prof Vasu Reddy (Human Sciences Research Council).

The qualitative part of the study has been completed which consisted of field observations and the quantitative phase of 500 questionnaires accompanied by an HIV test commenced. The recruitment of participants proceeded slower than was planned and in March 2012, 210 people have been recruited.

In 2012 and in collaboration with Prof Vasi van Deventer and Sean Hagen (UNISA Department of Psychology), OUT started a research project with the clients of the OUT clinic. The questionnaire aimed to determine some of the sexual behaviours, health care needs and access to services for current clients of the OUT clinic. It is estimated that this research will be completed towards the end of 2012.

#### OUT published the following:

2011. Knox, J; Sandfort, T; Yi, H; Reddy, V; Maimane, S. Social vulnerability and HIV testing among South African men who have sex with men (MSM). *International Journal of STD & AIDS*, 22: 709-713.

2011. Tun, W; Kellerman, S; Maimane, S; Fipaza, Z; Sheehy, M; Vu, M; Nel, D. HIV-related conspiracy beliefs and its relationship with HIV testing and unprotected sex among men who have sex with men in Tshwane (Pretoria), South Africa. *AIDS Care*, DOI: 10.1080/09540121.2011.617412.

2011. Vu, L; Tun, W; Sheehy, M; Nel, D. Levels and correlates of internalized homophobia among men who have sex with men in Pretoria, South Africa. *AIDS Behaviour*, DOI 10.1007/s10461-011-9948-4.

## MANAGEMENT AND FINANCIAL

#### Strategic development and networking

OUT's work takes place within a 10 year timeframe (2009-2019). Central elements are the comprehensive community service delivery model covering macro-level work such as policy influence, the training of mainstream service providers, generating expertise as well as direct service delivery.

With the lack of funding, OUT has consolidated our direct services to Pretoria while broader work expands nationally. In assessing OUT's growth over the last year, it is possible that there was too great a focus on HIV/AIDS services, to the detriment of OUT's role at national levels on issues facing LGBT people.

One of OUT's biggest strengths are our networks that have been established over many years of work. OUT continued hosting the Secretariat of the African Men for Sexual Health and Rights (AMSHer). AMSHer is a network on MSM led organizations in 13 African countries aiming to represent MSM issues in Africa and internationally as well as to develop the capacity of its members. They are based in Johannesburg and registered as a Non-Profit Organisation with the South African Department of Social Development in February 2012.

Up to that point, OUT administered their funding and assisted with organisational development on issues such as policy development. OUT also serves on the Board of AMSHer and played a role in planning processes. With AMSHer, OUT attended the International Conference on AIDS in Africa (ICASA) in Ethiopia and a membership development workshop in Maputo in 2011.

There was collaboration with South African MSM programme implementers to develop a proposal to the Centre for Disease Control (CDC) in mid 2011. In a similar vein there was collaboration with Southern African implementers to develop a proposal for the Global Fund Round 11 applications.

## **Management and finances**

Monitoring and evaluation took place through monthly staff and management meetings. These meetings monitored programme outputs, external events and representation, operational and administrative issues and finances. Quarterly Reports were submitted to the OUT Board and these included an overview of all programmatic outputs.

There were four board meetings during the year and a particular emphasis was placed on dealing with the consequences of the theft and fraud that occurred in 2010. Subsequent issues related to cash flow, criminal and disciplinary proceedings, staff issues and morale. The Board also approved new policies which increased the weekly hours worked, and stipulations on overtime and leave which were previously favoring employees.

There was significant work done in updating financial statements and finalising monthly profit and loss statements as well as the related balance sheet. Regular cash flow reports were compiled and outstanding VAT payments were made. There is still an outstanding issue on PAYE in the 2006 period which currently holds back OUT obtaining a tax clearance certificate.

## **Fundraising**

OUT continued its efforts to fill the financial gap left by the loss of Atlantic Philanthropies support. They were the main funder of the organisation over the last 8 years and their support ended in 2011. Fundraising efforts focused on PEPFAR funding for MSM HIV/AIDS related programmes. OUT became a sub-grantee with Health4Men to manage the North West programme, health care workers trainings and the OUT clinic. This arrangement ended in March 2012.

With ANOVA Health, the Population Council and others, OUT worked on an application for the CDC to address Key Populations. This application was never submitted due to issues at that point between CDC and USAID.

OUT also worked with HIVOS South Africa on a proposal to the Global Fund's Round 11 call for proposals. This was a regional programme that would have focused on OUT's expertise in a regional context. Unfortunately the Global Fund cancelled Round 11 and the proposal was never submitted.

A long standing partner and funder of OUT, the Schorer Foundation (the Netherlands), declared bankruptcy in early 2012. This is a great pity as they have always been a close partner to OUT and had more than 40 years of expertise in LGBT programming.

The programmes on which there were partnerships, however, have secured funding for 5 years and Schorer is in the process of negotiating new host organisations for these partnerships. Unfortunately the funding allocation has been significantly decreased and this adds further pressure for OUT to secure new funding.

In March 2012, OUT started negotiations with the Foundation for Professional Development (FPD) for a programme to integrate MSM issues in the technical support provided by FPD to over 300 clinics.

It was in the context of a call from USAID focusing on patient outcomes for key populations. The application will be submitted in the 2012/13 year and the discussions with FPD hold great promise of expanding OUT's work to Pretoria and beyond.



*The OUT office and clinic lobby*



*OUT staff outside the offices*



## OUT Staff Members



**Dawie Nel** has been the Director of OUT since 2002. He is gay and holds a Masters degree in Education from the University of the Witwatersrand. His interests are researching factors influencing gay men's health and activism.



**Moude Maodi** joined OUT in March 2012 as Office Administrator. She is looking forward to studying Public, Constitutional and International Law through UNISA to pursue a career in protecting LGBTI rights and promoting non-discrimination in our society.



**Xander Flemming** joined OUT in April 2012 as the Health Manager. He holds a Master's Degree in Psychology and is registered with the Health Professions Council of South Africa as a counselling psychologist. He is passionate about guiding individuals to overcome obstacles and to unlock their potential.



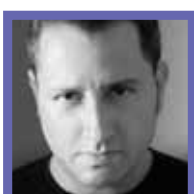
**Delene van Dyk** started her career as a psychiatric nurse in the military. During that time she completed a degree in nursing education and is currently working towards her MCur degree. She's an activist, nurse therapist and an artist.



**Gérard Damstra** is the permanent clinic nurse at OUT and is registered with the South African Nursing Council. He has seven years experience as a trauma nurse and is responsible for HIV testing and counselling, STI screenings and psychosocial support at OUT. Gérard joined OUT in June 2011.



**Brian Sibeko** started with OUT as a Peer Educator and was appointed Health Support Officer in April 2012. He is studying towards his BA Degree in Social Work through UNISA. Brian aspires to help LGBT people accept themselves for who they are so that they can live fulfilling lives.



**Luiz De Barros** has a BA in English and Psychology and a BA Honours degree in Drama and film. He co-founded and worked as Creative Director for 14 years at the multimedia company Underdog before going out on his own. He is Marketing and Communications Coordinator at OUT and the editor of Mambaonline.com.



**Clara Makhwela** has been the domestic worker for OUT for the past fourteen years.



**Sandra Swart** is an accountant and is currently studying towards her honours in Value-Added Tax. She has worked for various companies as a clerk or an accountant, and also spent three years lecturing accounting. She loves interior decorating, movies and reading anything she can lay her hands on.

### Staff members who have left



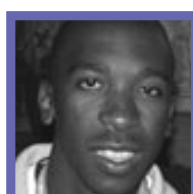
**Jacques Livingston** completed his Masters in Social Science (Cum Laude) in 2004 at the University of KwaZulu-Natal. Jacques interned the following year as a Counseling Psychologist at the Nelson R. Mandela School of Medicine. He joined OUT in February 2007 as the Sexual Health Manager.



**Jay Matlou** joined OUT LGBT Well-Being through the volunteer system three years ago and landed a Learnership that lead to his current position as a Sexual Health Fieldworker. He is also studying toward his BA degree in Psychology at UNISA.



**Senkhu Maimane** has joined the OUT family, as a counsellor / facilitator / researcher. He is currently studying towards his honours degree in psychology through Unisa. A true book worm.



**Iggy Mnisi** joined OUT LGBT well-being after attending one of the sexual health workshops. He is in OUT's Learnership Programme and works as a sexual health facilitator with the organisation and is looking forward to studying Public Relations Management.



**Trish Nhamoinesu** comes from Zimbabwe and arrived here in 2004 wanting to further her studies. She studied at the University of Fort Hare in the Eastern Cape towards a Bachelor of Social Work Degree which she obtained in November 2007. She has a baby-son, Zayne Peter Dzingirayi, who is one and a half years old.



**Hendrik Baird** studied Drama, became a professional actor and worked as an arts educator and administrator. After a stint as the director at the BAT Centre in Durban, Hendrik helped found the North-West community organisation Gay Umbrella. Hendrik applies his events management skills at OUT/Health4Men North-West.



**Mildred Maropelafela** studied Drama and obtained various certificates e.g Arts Administration, Entrepreneurship and others at North-West University. She was part of the Unisa research team into the levels of empowerment among emerging LGBT communities in the North-West and is the Field Officer at OUT/Health4Men North-West.

OUT's sincere gratitude to all Board Members for their dedication, expertise and oversight.



**Prof Vasu Reddy** (PhD), Chair of the Board. Vasu Reddy is a Deputy Executive Director in the Human and Social Development Programme at the Human Sciences Research Council (HSRC). He is also an Honorary Associate Professor of Gender Studies (University of Kwa-Zulu Natal). Prof Reddy was a Board Member of the National Coalition for Gay and Lesbian Equality that successfully lobbied for the inclusion of sexual orientation in the SA Constitution. He also co-founded and plays an active role as Board Member of the Durban Gay and Lesbian Centre.



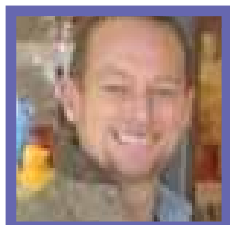
**Dr Mandisa Kakaza**, Deputy Chair of the Board. Dr Kakaza is a specialist neurologist in Pretoria and joined the OUT Board in 2006. She brings valuable medical knowledge to the activities of OUT and have assisted with networking within the Department of Health and Steve Biko Academic hospital.



**Robert Cameron-Ellis**, Treasurer of the Board. Mr Cameron Ellis was Chair of the Board till 2007. He is a Chartered Accountant and Certified Fraud Examiner. He is a partner in the law firm- Edward Nathan Sonnenbergs and is regarded as one of the country's top forensic accountants. Mr Cameron Ellis lives in Pretoria with David his partner for 12 years.



**Sylvester Chauke**. Mr Chauke holds a Honours degree in Marketing Communication. He has worked on accounts such as Vodacom, Adcock Ingram, FNB, Unilever and Nelson Mandela Square. In 2006 he joined Nandos as Marketing Manager. In 2009 he was identified by the Mail and Guardian as one of the top 300 Young South Africans and recently gained a spot on GQ's 35 Most Influential Young South Africans.



**Prof Juan Nel**. Prof Nel lectures at the UNISA Department of Psychology. He is a registered clinical and research psychologist and has done ground breaking on victimology including LGBT issues. Prof Nel is also active in development of LGBT affirmative guidelines for the SA Psychology Association and he was one of the founding members of OUT.



**Nicholas Nkosi**. Mr Nkosi is head of operational risk for Standard Bank, responsible for strategy and the implementation of Basel 11 requirements for retail banking. He lectures on a part-time basis for a post graduate programme in Compliance Management. Mr Nkosi has been involved as a board member of Sparrows Nest (home for destitute people living with HIV/AIDS) and joined the OUT Board in 2008.



## OUT Board Members



**Prof Elaine Salo.** Prof Salo is the Director of the Institute for Women's and Gender Studies at the University of Pretoria. Her research interest include Women's movements in African contexts, the ethnography of gender, sexuality and gender in peripheral urban spaces in South African cities as well as policy issues on gender and higher education.



**Dr Peter Vaz.** Dr Vaz is a development specialist in the Public Finance and Economic Growth (PFEG) group within RTI International's International Development Group (IDG). He is an international finance specialist with experience in both municipal finance and local Government transformation. He has a Ph.D. in International Economic Development from the Massachusetts Institute of Technology, Cambridge, MA, USA.



**Prof Frans Viljoen** (MA, LLB, LLD (Pretoria), LLM (Cambridge)). Prof Viljoen is the Director for the Centre for Human Rights, Faculty of Law, University of Pretoria. he is the academic co-ordinator of the LLM (Human Rights and Democratisation in Africa) and has published extensively. Prof Viljoen has collaborated with numerous African LGBT organisations within the context of the work of the African Commission on Human and Peoples' Rights.



**Humanistisch Instituut voor Ontwikkelingssamenwerking (HIVOS).** OUT has a long standing relationship with HIVOS and they supported overhead as well as some programmatic costs.



**Department of Social Development.** DSSD funded the social work position.



**The Gauteng Department of Health.** One of the first funders of OUT (since 1997), they have supported a range of sexual health materials in the past year.



**The Medical Research Council (MRC).** OUT worked with the MRC on a programme to address substance use/abuse and HIV risk.



**Health4Men**, a project of the **Anova Health Institute**, addresses men's diverse sexual health needs.



**Schorer Stichting.** A long standing partner of OUT, they supported a programme to upscale HIV prevention to LGBT people.



**Aids Fonds** finances scientific research, provides prevention and treatment for vulnerable groups and fights for the rights of people with HIV.



**Humanistisch Instituut voor Ontwikkelingssamenwerking (HIVOS).** OUT has a long standing relationship with HIVOS and they supported overhead as well as some programmatic costs.

## Audited financial statements

**OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING**  
**REGISTRATION NUMBER: 000-219-NPO**

**FINANCIAL STATEMENTS**  
**AS AT 31 MARCH 2012**

# OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING

REGISTRATION NUMBER: 000-219-NPO

## FINANCIAL STATEMENTS AS AT 31 MARCH 2012

<b>NATURE OF BUSINESS AND ACTIVITIES:</b>	Health Services and Advocacy
<b>BOARD MEMBERS:</b>	V Reddy – Chairman RE Cameron-Ellis – Treasurer J Nel – Board Member P Vaz – Board Member N Nkosi – Board Member M Kakaza – Board Member E Salo – Board Member S Chauke – Board Member D Nel – Executive Director
<b>REGISTERED ADDRESS:</b>	1081 Pretorius Street Hatfield 0083
<b>AUDITORS:</b>	DF van Tonder Auditors Po Box 2288 Montanapark 0159
<b>BANKERS:</b>	ABSA Bank Limited

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Board Members Report	3
Statement of Financial Position	4
Statement of Comprehensive Income	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 14
Detailed Statement of Comprehensive Income	15 - 16





**DFVANTONDER**  
**ODITEURE**

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## REPORT OF THE INDEPENDENT AUDITOR TO THE BOARD MEMBERS OF OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING

We have audited the accompanying financial statements of OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING, which comprise the statement of financial position as at 31 March 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### *Board Member's Responsibility for the Financial Statements*

The board members is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for SME's. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements.

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

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING as at 31 March 2012, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for SME's.

PRETORIA  
13 SEPTEMBER 2012

  
DF van Tonder  
Chartered Accountant CA(SA)  
Registered Auditor

## BOARD MEMBERS RESPONSIBILITIES AND APPROVAL

The board members are required by the constitution of OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the accounting policies. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards for SME's (IFRSs for SME's) and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The board members acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the board members to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

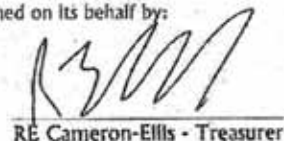
The board members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The board members have reviewed the entity's cash flow forecast for the year to 31 March 2013 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the entity's financial statements. The financial statements have been examined by the entity's external auditors and their report is presented on page 1.

The financial statements set out on pages 3 to 16, which have been prepared on the going concern basis, were approved by the board and were signed on its behalf by:

  
V Reddy – Chairperson

  
RE Cameron-Ellis – Treasurer

4/10/2012  
Date

**OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING**

**REGISTRATION NUMBER: 000-219-NPO**

**BOARD MEMBERS REPORT FOR THE YEAR ENDED 31 MARCH 2012**

The board members of the entity wishes to report as follows:

**1. NATURE OF BUSINESS**

During the year the entity conducted business as a supplier of health and advocacy services. No material changes took place in the principle nature of the business.

**2. REVIEW OF ACTIVITIES**

The financial results for the year ended 31 March 2012 are set out in the attached financial statements, in which a net loss of R 426 916 is reported for the financial year.

**3. BOARD MEMBERS**

The names of the entity's board members are shown on page 1 of this report.

**4. MATERIAL EVENTS AFTER ACCOUNTING DATE**

The board is not aware of any material facts or circumstances which existed prior to the year end date or between the accounting date and publication of this report, which would adversely influence the assessment of the entity's financial statements or the results of its operations

The financial statements are prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realization of assets and settlement of liabilities will occur in the ordinary course of business. The ability of the entity to continue as a going concern depends on the ability of the entity to procure funding for the ongoing operations of the entity for so long as it takes to restore the solvency of the entity. The board has secured funding for the entity to continue operations until 30 June 2013.



4.

OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEINGREGISTRATION NUMBER: 000-219-NPOSTATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2012

	NOTE	2012 R	2011 R
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>		4	4
Furniture and Equipment	7.	4	4
<b>CURRENT ASSETS</b>		1 081 410	962 401
Trade and Other Receivables	3.	633 788	460 258
Cash and Cash Equivalents	5.	447 621	502 143
<b>TOTAL ASSETS</b>		<u>1 081 414</u>	<u>962 405</u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>		(777 144)	(350 228)
Retained Income		(777 144)	(350 228)
<b>CURRENT LIABILITIES</b>		1 858 558	1 312 634
Trade and Other Payables	4.	640 525	674 655
Unspent Project Funds	6.	1 218 034	637 979
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1 081 414</u>	<u>962 405</u>

5.

**OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING**

**REGISTRATION NUMBER: 000-219-NPO**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2012**

	NOTE	2012 R	2011 R
Revenue	8.	4 963 828	8 519 215
Other Income		10 502	101 998
Operating Expenses		<u>5 410 198</u>	<u>8 341 348</u>
Operating Surplus/(Shortfall) before Financing		(435 867)	279 865
Financial Income		9 208	17 149
Finance Costs	9.	<u>256</u>	<u>3 657</u>
Surplus/(Shortfall) before Taxation		(426 916)	293 357
Taxation	2.	-	-
Surplus/(Shortfall) for the Period		<u><u>(426 916)</u></u>	<u><u>293 357</u></u>



6.

OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEINGREGISTRATION NUMBER: 000-219-NPOSTATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2012

	Retained Income	Total
Balance: 1 April 2010	(643 586)	(643 586)
Net Surplus/(Shortfall) for the Year	293 357	293 357
Balance: 1 April 2011	(350 228)	(350 228)
Net Surplus/(Shortfall) for the Year	(426 916)	(426 916)
Balance: 31 March 2012	<u>(777 144)</u>	<u>(777 144)</u>

7.

**OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING**

**REGISTRATION NUMBER: 000-219-NPO**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2012**

	NOTE	2012 R	2011 R
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>			
Cash Received from Funders		4 790 298	8 305 028
Cash Paid to Suppliers and Employees		4 855 771	8 218 124
Cash Generated by Activities	13.	(65 473)	86 904
- Interest Received		9 208	17 149
- Interest Paid		(256)	3 657
<i>Net Cash Outflow from Operating Activities</i>		<u>(56 521)</u>	<u>107 710</u>
<b>CASHFLOW FROM INVESTMENT ACTIVITIES</b>			
Increase in Furniture and Equipment			
- Additions		-	(10 000)
Proceeds on Disposal of Assets		2 000	5 850
<i>Net Cash Inflow from Investment Activities</i>		<u>2 000</u>	<u>(4 150)</u>
<i>Net Decrease in Cash and Cash Equivalents</i>		(54 522)	103 560
<i>Cash and Cash Equivalents - Beginning of the Year</i>		502 143	398 583
<i>Cash and Cash Equivalents - End of the Year</i>		<u>447 621</u>	<u>502 143</u>

8.

**OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING****REGISTRATION NUMBER: 000-219-NPO****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012****1. ACCOUNTING POLICIES****a. Basis of Presentation**

The financial statements have been prepared in accordance with the 'International Financial Reporting Standard for Small and Medium-sized Entities' (IFRS for SMEs). They have been prepared under the historical cost convention, as modified by the revaluation of investment property, biological assets and derivative financial instruments at fair value.

The preparation of financial statements in conformity with the IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. Areas involving a higher degree of judgement or where assumptions and estimations are significant to the consolidated financial statements.

**b. Foreign Currency****(a) Functional and presentation currency**

Items included in the financial statements the entity is measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Rand, which is the company's functional presentation currency.

**(b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

**c. Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

**d. Trade Receivables**

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of the receivables.

**e. Trade Payables**

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**f. Provisions**

Provisions are recognised when the entity has a present legal or constructive obligation as a result of past events; it is possible that a transfer of economic benefits will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

9.

## **OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING**

**REGISTRATION NUMBER: 000-219-NPO**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012**

#### **g. Property, Plant and Equipment**

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The group adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Motor Vehicles	1 Year
Computer Equipment	1 Year
Office Equipment	1 Year
Furniture and Equipment	1 Year

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other gains/(losses) - net in the statement of comprehensive income.

#### **h. Revenue Recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the group's activities. Revenue is shown net of sales/value-added tax, returns, rebates and discounts and after eliminating sales within the group.

The entity recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the group's activities, as described below.

##### **(a) Grant Income**

Grants from the funding organisations are recognised at their fair value in profit or loss where there is a reasonable assurance that the grant will comply with all attached conditions. Grants received where the entity has yet to comply with all attached conditions are recognised as a liability and released to income when all attached conditions have been complied with.

Grants are recognised as income over the periods necessary to match them with the related costs they are intended to compensate.

A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income for the period for the period in which it becomes receivable.

##### **(b) Interest Income**

Interest income is recognised using the effective interest method.

10.

**OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING****REGISTRATION NUMBER: 000-219-NPO****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012****I. Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

The entity leases certain items of property, plant and equipment. Leases of property, plant and equipment where the group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is apportioned between the liability and finance charges using the effective interest method. Rental obligations, net of finance charges, are included in borrowings in the statement of financial position. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.



11.

OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING

REGISTRATION NUMBER: 000-219-NPO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012**2. SOUTH AFRICAN REVENUE SERVICES**

No provision has been made for SA normal taxation as the entity is exempt from taxation in terms of Section 10(1)(F) of the Income tax act as amended.

**3. TRADE AND OTHER RECEIVABLES**

	2012 R	2011 R
Accrued Income: Anova	59 361	229 295
Accrued Income: Department of Health	175 000	-
Accrued Income: HIVOS	-	190 567
Accrued Income: Medical Research Council	358 569	-
Deposits	35 450	32 850
Other Short Term and Staff Loans	-	2 726
Prepaid Expenses	-	4 820
Value Added Taxation	5 408	-
	<u>633 788</u>	<u>460 258</u>

**4. TRADE AND OTHER PAYABLES**

Accrued Expenses and Provisions	29 303	-
African Men for Sexual Health and Rights (AMSHer)	213 562	229 969
Employee Deduction Arrears, Penalties and Interest	349 417	56 831
Trade Payables	48 243	38 906
Value Added Taxation	-	348 948
	<u>640 525</u>	<u>674 655</u>

The AMSHeR inter organisation loan is unsecured, interest free and no repayment conditions have been stipulated.

**5. CASH AND CASH EQUIVALENTS**

Bank Balances	214 388	466 975
Cash Equivalents	1 474	4 442
Short Term Deposits	1 900 210	30 726
Schorer Monies Held In Trust	(1 668 451)	-
	<u>447 621</u>	<u>502 143</u>

Cash and Cash Equivalents in the Statement of Cash Flows

The organisation holds monies amounting to R 1 668 451 in trust on behalf of Schorer.

**6. UNSPENT PROJECT FUNDS**

Aidsfonds Marketing	203 003	-
CoC Building Bridges	224 527	-
Department of Health	110 957	66 842
Department of Social Development	-	7 225
Schorer	277 880	563 912
Schorer Appendix 6E	358 054	-
Schorer Appendix 7A	43 614	-
	<u>1 218 034</u>	<u>637 979</u>

12.

**OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING****REGISTRATION NUMBER: 000-219-NPO****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012****7. FURNITURE AND EQUIPMENT**

	Computer Equipment	Office Equipment	Furniture & Fittings	Total
<b>COST</b>				
Balance at 1 April 2010	212 389	56 953	26 086	295 428
Acquisitions	10 000	-	-	10 000
Disposals	-	-	-	-
Balance at 31 March 2011	222 389	56 953	26 086	305 428
Balance at 1 April 2011	222 389	56 953	26 086	305 428
Acquisitions	-	-	-	-
Disposals	-	(3 000)	-	(3 000)
Balance at 31 March 2012	222 389	53 953	26 086	302 428

**DEPRECIATION/IMPAIRMENT LOSSES**

Balance at 1 April 2010	212 388	56 951	26 085	295 424
Depreciation for the Year	10 000	-	-	10 000
Impairment Losses	-	-	-	-
Disposals	-	-	-	-
Balance at 31 March 2011	222 388	56 951	26 085	305 424
Balance at 1 April 2011	222 388	56 951	26 085	305 424
Depreciation for the Year	-	-	-	-
Impairment Losses	-	-	-	-
Disposals	-	(3 000)	-	(3 000)
Balance at 31 March 2012	222 388	53 951	26 085	302 424

**CARRYING AMOUNTS**

At 1 April 2010	1	2	1	4
At 31 March 2011	1	2	1	4
At 1 April 2011	1	2	1	4
At 31 March 2012	1	2	1	4

**8. REVENUE**

	2012 R	2011 R
Grant Income Received	4 963 828	8 519 215
	<u>4 963 828</u>	<u>8 519 215</u>

**9. FINANCE COSTS**

Bank Overdraft	256	3 657
	<u>256</u>	<u>3 657</u>

13.

## OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING

REGISTRATION NUMBER: 000-219-NPO

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

#### 10. OPERATING LEASE COMMITMENTS

The entity leases offices buildings under a non-cancellable operating lease agreement. The lease term is for a term of three years. The lease agreement is renewable at the end of the lease period at market rate.

The entity also leases office equipment under cancellable operating lease agreements. The entity is required to give one months notice for the termination of these agreements.

The future minimum lease payments under non-cancellable operating leases are as follows:

No later than 1 year	475 360
Later than 1 year and no later than 5 years	1 162 765
Later than 5 years	-
Total	<u>1 638 125</u>

#### 11. RELATED PARTIES

##### Relationships:

Members of Key Management

DNF Nel      Director  
RE Cameron-Ellis      Treasurer

Common Directorship

African Men for Sexual Health and Rights  
(AMSHeR)

Related Party Transactions:

Directors Salary - DNF Nel  
AMSHeR

2012	2011
R	R
540 000	546 000
16 407	229 969

#### 12. GOING CONCERN

We draw attention to the fact that at 31 March 2012 the entity's total liabilities exceeded its assets by R 777 144.

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. The basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the entity to continue as a going concern is dependant on a number of factors. The most significant of these is that the board continues to procure funding for the ongoing operations of the entity for so long as it takes to restore the solvency of the entity. The board has secured funding for the entity to continue operations until 30 June 2013.

14.

OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEINGREGISTRATION NUMBER: 000-219-NPONOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012**13. STATEMENT OF CASHFLOWS**

	2012 R	2011 R
Reconciliation of net loss before taxation and cashflow from normal operating activities.		
Loss before Taxation	(426 916)	293 357
Adjusted for:		
- Interest Received	(9 208)	(17 149)
- Proceeds on Disposal of Assets	(2 000)	-
- Finance Costs	256	(3 657)
- Depreciation	-	18 362
Cashflow from Operating Activities	(437 867)	290 913
Changes in Working Capital	372 394	(204 009)
- (Increase) in Trade and Other Receivables	(173 530)	(233 180)
- (Decrease) in Trade and Other Payables	(34 130)	20 024
- Increase in Unspent Project Funds	580 055	9 147
	(65 473)	86 904

15.

OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGFT). WELL BEING  
REGISTRATION NUMBER: 000-219-NPO  
DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2012

OPERATING INCOME AND EXPENSES

Project Specific and General Fundings

Aldisford Marketing	127 606	13 897	113 709	127 606	467 269	721 306	589 033	132 273
Anora North West Project	1 125 001	657 732	-	657 732	-	2 790 907	-	2 790 907
Atlantic Philanthropies	-	-	-	-	-	-	-	-
CoC Building Bridges	70 073	16 710	53 364	70 073	-	268 158	195 158	73 000
DOH Training and Development	305 885	175 884	130 000	305 884	-	130 582	130 582	-
DSD Sexual Health Project	111 575	8 400	89 932	98 332	13 243	452 511	400 212	52 299
FDP Program	-	-	-	-	-	151 993	-	151 993
Heinrich Boll Stiftung	-	-	-	-	-	953 590	184 569	769 021
HIVOS Pride	1 500	1 500	-	1 500	-	-	-	-
HIVOS	498 433	-	-	-	498 433	92 193	101 833	(9 640)
Karlini Program	-	-	-	-	-	1 300 776	904 338	396 438
MHC Health Project	1 745 287	171 732	611 825	783 557	961 730	-	14 212	(14 212)
Open Society Foundation	-	-	-	-	-	777	-	777
Population Council	-	-	-	-	-	-	-	-
Schorer Prima Mens Health	940 322	338 669	601 654	940 322	-	1 656 420	1 571 634	84 786
Schorer Appendix 6E	38 146	38 146	-	38 146	-	-	-	-
Other Income:	19 710	-	-	-	19 710	119 148	-	119 148
Clinic Income	1 106	-	-	-	1 106	18 720	-	18 720
Donations	6 951	-	-	-	6 951	9 672	-	9 672
Gala Dinner	-	-	-	-	-	37 450	-	37 450
Insurance Claims	-	-	-	-	-	16 425	-	16 425
Interest Received	9 208	-	-	-	9 208	17 149	-	17 149
Pageant Income	2 000	-	-	-	2 000	9 100	-	9 100
Proceeds on Disposal of Assets	445	-	-	-	445	5 850	-	5 850
Royalties	-	-	-	-	-	-	-	-
Trading Income	-	-	-	-	-	4 781	-	4 781



16.

## OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING

REGISTRATION NUMBER: 000-219-NPO

## DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2012

	2012 R	2012 R	2012 R	2012 R	2012 R	2011 R	2011 R	2011 R
	Revenue	Direct Expenses	Overheads Allocated	Total Project Cost	Surplus / (Shortfall)	Revenue	Total Project Cost	Surplus / (Shortfall)
<b>Operational Expenditure:</b>								
15 Year Celebration	-	3 888 737	-	3 888 737	3 888 737	-	5 569 528	5 569 528
Accounting Fees	-	115 769	-	115 769	115 769	-	594 574	594 574
Advocacy and Mainstreaming Program Costs	-	-	-	-	-	-	38 501	38 501
Assets Expensed	-	-	-	-	-	-	94 753	94 753
Audition Remuneration	-	95 340	-	95 340	95 340	-	21 058	21 058
Authorized Cash Storages	-	18	-	18	18	-	43 641	43 641
Bank Charges	-	21 026	-	21 026	21 026	-	159	159
Board Expenses	-	1 000	-	1 000	1 000	-	23 948	23 948
Computer Expenses	-	64 226	-	64 226	64 226	-	3 542	3 542
Gifts and Flowers	-	200	-	200	200	-	104 390	104 390
Insurance	-	39 714	-	39 714	39 714	-	4 329	4 329
Lease Rentals on Operating Lease	-	469 606	-	469 606	469 606	-	31 305	31 305
Legal Fees	-	56 253	-	56 253	56 253	-	399 447	399 447
Marketing and Promotions	-	202 792	-	202 792	202 792	-	6 348	6 348
Municipal Charges	-	15 078	-	15 078	15 078	-	328 749	328 749
Networking Expenses	-	2 700	-	2 700	2 700	-	17 066	17 066
Other Expenses	-	895	-	895	895	-	3 532	3 532
Postages and Courier	-	3 969	-	3 969	3 969	-	58 143	58 143
Printing and Stationery	-	15 329	-	15 329	15 329	-	5 455	5 455
Refreshments and Entertainment	-	12 983	-	12 983	12 983	-	11 256	11 256
Repairs and Maintenance	-	18 144	-	18 144	18 144	-	9 212	9 212
Research and Development Costs	-	2 546 588	-	2 546 588	2 546 588	-	23 835	23 835
Safety and Security	-	162 988	-	162 988	162 988	-	8 880	8 880
Salaries and Wages	-	37 221	-	37 221	37 221	-	34 026	34 026
Staff Training	-	16 899	-	16 899	16 899	-	3 320 521	3 320 521
Telephone, Fax and Internet	-	-	-	-	-	-	2 380	2 380
Travel and Accommodation	-	-	-	-	-	-	248 250	248 250
Website Expenses	-	-	-	-	-	-	114 009	114 009
Overheads Allocated	-	-	(1 600 483)	(1 600 483)	(1 600 483)	-	18 219	18 219
Unauthorized Expenditure	-	-	-	-	-	-	(2 547 618)	(2 547 618)
Penalties and Interest on Statutory Arrears	-	98 792	-	98 792	98 792	-	1 227 866	1 227 866
<b>OPERATING PROFIT/(LOSS) BEFORE FINANCE COSTS</b>	4 983 538	5 410 198	-	5 410 198	(426 659)	8 638 362	8 341 348	297 014
Finance Costs	-	(256)	-	(256)	(256)	-	(3 657)	(3 657)
<b>OPERATING PROFIT/(LOSS) FOR THE YEAR</b>	4 983 538	5 409 942	-	5 409 942	(426 916)	8 638 362	8 337 691	293 357



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