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# OUT

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

**April 2016 - March 2017**

**Expanded services**



## Message from the Board Chairperson



When critically examining our latest annual report, OUT has a lot to be proud of.

The Ten81 Clinic, which offers a range of HIV/AIDS and health services, had 2 288 appointments; an increase of 73% compared to the previous year. Our mobile service for MSMs had 5 465 contacts and provided 2 543 behaviour change interventions and tested 1 507 people for HIV. We distributed 377 545 needles and syringes (an increase of 103%) and did 19 732 behaviour change interventions as part of the Step-Up project. We conducted 769 psychosocial sessions, which were either face-to-face, telephonic or via e-mail; an increase of 78%.

In addition to this, our Love Not Hate programme took OUT's work beyond Pretoria, working together with five other partners in the Eastern Cape, Western Cape and KwaZulu-Natal. This national programme completed a quantitative research study on the extent and nature of hate crimes. The study contained the results of 2 130 respondents, representative of race, gender and level of resources.

The results were sobering in that nearly 55% of respondents expressed fear that they might experience discrimination due to their sexual orientation. This statistic was completely overshadowed by 41% of those surveyed stating that they knew of someone who had been murdered due to their sexual orientation or gender identity. We still have a lot of work to do.

For the next year, OUT will focus on ensuring effectiveness of the treatment plans aimed at achieving our objectives. The implementation of these treatment plans face a number of risks, including:

- 1) securing uninterrupted funding,
- 2) ensuring that we continue to implement programmes that meet our funder and stakeholder targets and other requirements,
- 3) continuing to provide competent services to the lesbian, gay, bisexual and transgender (LGBT) community, MSM, sex workers, and injecting drug users,
- 4) continuing to provide a healthy work environment at OUT,
- 5) further ensuring that we are known and accessible to our target communities, and
- 6) safeguarding our reputation as an organisation known for integrity, transparency, advocacy and the passion with which we do our work.

I would like to conclude by thanking our funders and our enthusiastic employees for their dedication and hard work during the last year.

*OUT Board Chairperson - **Francois Joubert PhD***

## Message from the Director



The past year saw significant expansion of services to our Lesbian, Gay, Bisexual and Transgender (LGBT), Men who have Sex with Men (MSM) and People who Inject Drugs (PWID) target groups. It has been an exciting year, knowing that we are real, that we perform and that we are growing. I also work with an expanding team of dedicated activists who keep their eye on the ball, are practical and deliver quality outputs.

Some of the exciting additions this year included the opening of the PWID Drop-In Centre where homeless clients can take a break from the streets, have a shower, eat something and regain a sense of humanity. Also, as part of our services to PWID people, I was fortunate to visit Amsterdam with my colleague Nelson Medeiros to see how the Netherlands implement its very successful Opiate Substitute Therapy (OST) and other harm reduction services. OUT started a unique new partnership with the Tshwane Municipality and University of Pretoria School of Family Medicine to address substance use in the city and this programme is exciting in that it targets drug use and harm reduction on a large scale.

For our MSM clients, we signed a new partnership with Right to Care (Global Fund) for outreach health services in Tshwane. The additional funding allows us to target an increased number of men and to especially focus on high risk men who otherwise are not likely to make use of health services through openly gay facilities such as the Ten81 Clinic. The clinic continued to grow and we believe that we are now starting to see the results of word-of-mouth, which takes some time before client numbers increase.

With OUT's hate crime work, the Love Not Hate programme had ongoing evaluations to keep Government accountable and to move it to better implementation. A highlight this past year was completing quantitative research with 2 130 respondents on the extent of hate crimes, with a shocking 44% of LGBTI people experiencing such a crime in the last 24 months and 88% of them not reporting it to the police. The high figure on non-reporting could reflect low levels of trust in the criminal justice system.

Prof Vasu Reddy resigned from the OUT Board after many years of sterling leadership, great passion and extensive experience. His resignation is due to the workload of his new position as the Dean of Humanities at the University of Pretoria. We wish him well and know that he will always remain a friend to OUT. We welcome Dr Francois Joubert as the new Board Chair, Prof Azwihungwisi Mavhandu-Mudzusi as Deputy-Chair and Advocate Marna Kock, Mr Matuba Malatje and Ms Lerato Lebona to the Board.

The past year I have realised again what a difference it makes when someone believes in your work and gives you an opportunity. Our harm reduction approach has taught me that there is great value in looking beyond 'failures'; to extend past what seems good on paper and accepted judgements. There is merit in taking a longer road, where there are some failures, but with a gradual move to more control and success. This approach from the PWID world is just as relevant to MSM, LGBT and people in general. We see its value daily in the lives of people we work with, many of whom have been pushed for various reasons to the margins of society but who find a welcoming hand at OUT.

OUT has many friends and supporters who ensure our success. We are the second-oldest LGBT organisation in South Africa (now 23 years old). We are proud to still offer expanding services to marginalised people in a stable and consistent manner.

I want to thank all the OUT staff members, peer outreach workers and clients for their contributions and hard work over the last year. I especially enjoyed working with all my OUT colleagues. Baie dankie.

*Director of OUT - **Dawie Nel***

A snapshot of the year's successes



Needles and syringes distributed increased from 186 011 to 377 545



The budget increased from R9 926 278 to R12 061 438



The Ten81 Clinic had 2 288 client consultations



The Love Not Hate programme monitored 41 hate crime cases

### OBJECTIVES

1. To provide reputable direct services to our target communities, which include:
  - Physical health services, which include HIV testing, Anti-Retroviral Treatment, Pre- and Post- Exposure Prophylaxis, Sexually Transmitted Infections screening and treatment, Tuberculosis screening, HIV management, basic wound care, condoms and lubrication,
  - Mental health services, which include counselling, general lifestyle advice and support,
  - Safe spaces for individual support and development, reporting of hate crimes and sensitisation of local communities,
  - Hate crime support including reporting, medical and psychosocial support,
  - Training to government and other stakeholders on LGBTI issues and related competent services.
2. To reduce hate crimes against the lesbian, gay, bisexual and transgender (LGBT) community.
3. To reduce discrimination against the lesbian, gay, bisexual and transgender (LGBT) community, MSM, sex workers, and injecting drug users.
4. To provide services that follow an approach that provides dignity to our clients.
5. Support research and building expertise related to our objectives and target communities.

### EXECUTIVE SUMMARY

Our direct health services have a unique approach of integrating the issues facing the key populations of Men who have Sex with Men (MSM) and people who inject drugs within service delivery.

The flagship programme, the Ten81 Clinic, is a partnership with the Gauteng Department of Health and develops new models of sustainable expert service delivery. The clinic offers a range of HIV/AIDS and health services and had 2 288 appointments with the most widely used service being STI screenings and treatment (56%) and HIV testing and counselling (26%). The clinic also offers HIV treatment and monitoring, post exposure prophylaxis, wound care, and needles and syringes for safer injecting. The mobile services for MSMs had 5 465 contacts and provided 2 543 behaviour change interventions and tested 1 507 people for HIV. Our mental health services offered 769 psychosocial sessions, be it face-to-face, telephonic or via e-mail. The Step-Up project (targeting people who inject drugs) showed equally impressive numbers: there was a total number of 646 HIV counselling and tests, it distributed 377 545 needles and syringes and did 19 732 behaviour change interventions.

Turning to hate crime services, there were 27 safe spaces offered to members of the LGBTI community. The hate crime programme, Love Not Hate, has five other partners who work in the Eastern Cape, Western Cape and KwaZulu-Natal. All partners actively monitor and assist hate crime victims, including those who do not report cases to the police. A total of 41 cases were monitored by partners. There is also active participation with Government and the National and Provincial Department of Justice Task Teams. The programme completed a quantitative research study on the extent and nature of hate crimes, with 2 130 respondents; representative of race, gender and level of resources. The slow progress of Government severely hampers effective responses and prevention of discrimination.

Across its programmes, OUT maintained its ethos of the dignity of clients and to assist them where they are at. There is no judgment or expectation towards clients and this attracts people to the services of OUT.

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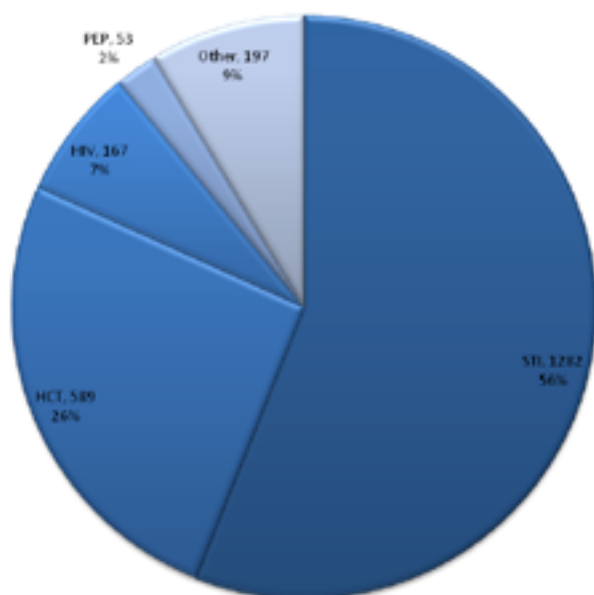
### OUT would like to thank the following organisations and individuals:

*Prof Harry Hausler  
 Andy Lambert  
 Kuben Pillay  
 Hermanise Dreyling  
 Helen Savva  
 Prof Jannie Hugo  
 Dr Lorinda Kroukamp  
 Sean Shelly  
 Steve Letsike  
 Emily Mabusela  
 Bram Langen  
 Jeanne Wolbers  
 Machteld Busz  
 Jos Lutejin,*

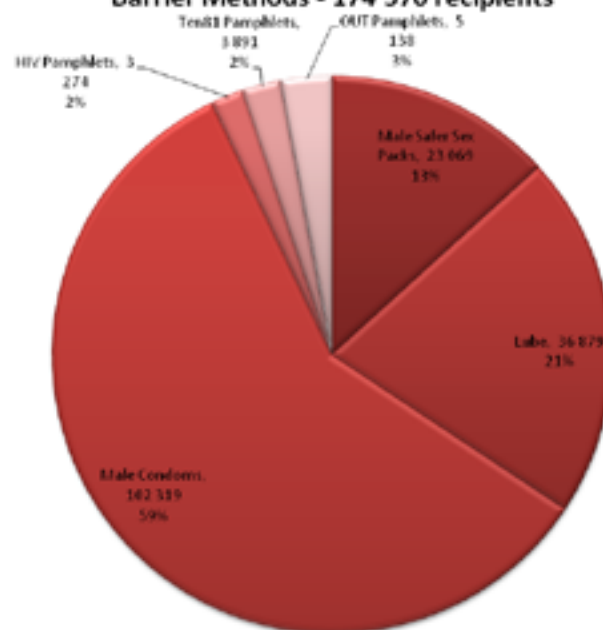
## DIRECT HEALTH SERVICES AND THE YEAR IN NUMBERS

### Health and Well-being Services

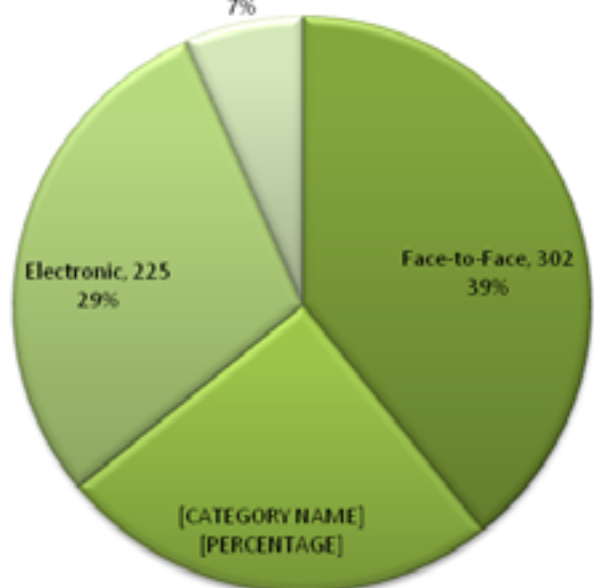
**Clinic - 2 288 appointments/services**



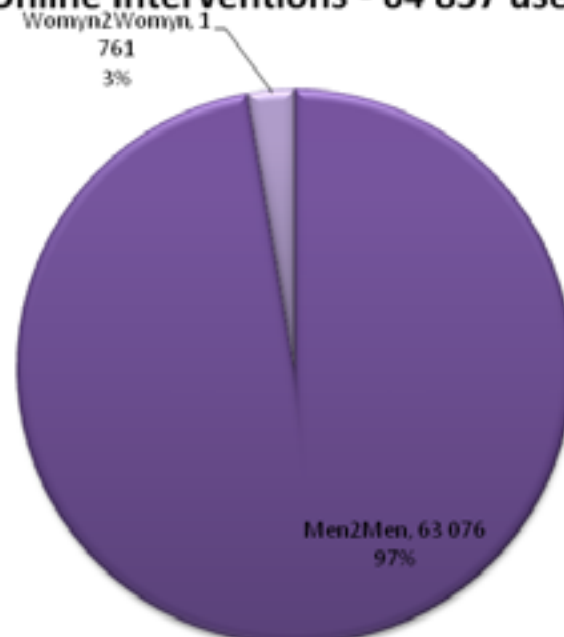
**Barrier Methods - 174 570 recipients**



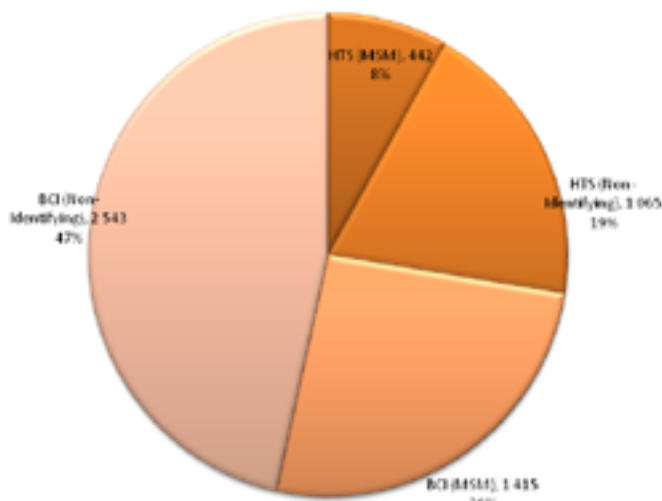
**Youth Group, 51**  
7%



**Online Interventions - 64 837 users**



Peer Outreach Programme - 5 465 contacts



OUT's **Direct Services** continue to focus on the physical and psychological well-being of the following key populations: Men who have Sex with Men (MSM) and People Who Inject Drugs (PWID). A total of 247 929 MSM and LGBT individuals were reached during the 2016/17 financial year. OUT's comprehensive service model includes prevention work, as well as the provision of care and treatment. These services were provided through OUT's Ten81 Clinic, psychosocial support programme, barrier method programme, community outreach (mobile) and online interventions.

As part of a three year agreement with the Department of Health (DOH), OUT's **Ten81 Clinic** continues to provide HIV medication and other consumables. This enables the Ten81 Clinic to offer the following comprehensive package of services (all free of charge): HIV Testing Services (HTS), CD4/Viral load testing (HIV Maintenance), initiation on and Anti-Retroviral Treatment (ART), screening and treatment for Sexually Transmitted Infections (STIs), screening for Tuberculosis (TB), provision of Post-Exposure Prophylaxis (PEP), general physical examinations, and follow-up. The clinic also offered needle and syringe exchange, and basic wound care to PWID clients. The clinic was staffed by three full-time registered nurses (the third nurse was appointed in December 2016).

Where needed, clients were referred to affirmative health care practitioners in OUT's network, like the Sediba Hope Medical Centre and Struben Street Clinic (public health facility). A research study, which started in 2016, to determine the correlation between HIV and Hepatitis B and C (Hep B&C), was conducted at the Ten81 Clinic. This study was conducted in

collaboration with the Bristol Myers Squibb foundation (BMSF). Clients who tested negative for Hep B&C, were able to receive Hep B&C vaccinations. Another exciting project with the University of Pretoria, enabled the clinic to offer Opiate Substitute Therapy (OST) to PWID clients who qualify. For this project, UP provided the services of clinical associates, as well as a medical doctor, once a week.

The clinic saw a significant increase (almost double) in the number of clients accessing services (compared to the previous year), probably due to the fact that ART medication was offered free of charge, as well as the integration of the clinic in the public health network and the Hep B&C research study that OUT participated in. The Ten81 Clinic offers an exciting model of mainstreaming key population issues beyond the model of training of Government or other health care workers. It partners with Government but seats the management within peer-led structures which has possible greater efficacy and networks.



**Psychosocial Services** included face-to-face, telephonic and online (electronic) counselling. Once again, the psychosocial counselling services saw a significant increase in numbers, compared to the 2015/16 period. The increase was probably due to the fact that the Ten81 Clinic was able to offer free ARV treatment, as well as due to a more focused marketing campaign on social media.

The most prevalent difficulties that clients presented with included relationship challenges, coming out and depression followed by insecurity regarding sexual identity and anxiety.

Although still called Youth Group Meetings, OUT started to organise events in township areas every second month, called "Pink Thirstdays". These events focused on themes based on challenges experienced by LGBT youth. These events were marketed well and attendance numbers remained good. The psychosocial poster campaign continued to raise awareness regarding psychosocial challenges faced by LGBT individuals.





Monthly psychosocial theme posters examples

OUT's **Barrier Method Programme** assisted thousands of individuals to make responsible choices regarding their sexual health and well-being. Male safer sex packs (containing condoms, lubrication and informative materials) were distributed in the OUT reception, venues frequented by LGBT individuals, events (such as Pride events) and to community members through outreach programmes.

A decision was made to discontinue the female safer sex packs, since the Department of Health stopped supplying dental dams and they were too expensive to procure. Condoms and lubrication were distributed to gay saunas and sex clubs. Printed materials, including Ten81 pamphlets, HIV pamphlets, and OUT pamphlets maintained good levels of distribution. The process of reviewing and updating printed materials, developing and printing new materials (like HIV and OUT pamphlets), based on the needs of the LGBT community, continued. Both these pamphlets were revised and reprinted.

**Online intervention** (prevention) was done through OUT's [www.men2men.co.za](http://www.men2men.co.za) and [www.womyn2womyn.co.za](http://www.womyn2womyn.co.za) websites. Compared to the 2015/16 period, the M2M website saw an increase in the number of visitors. The W2W website saw a significant decline in the number of visitors, likely due to the fact that OUT's programmes focused on MSM clients, rather than female clients.



The Men2 Men website

These websites include useful comprehensive sexual health information and articles as well as a facility to ask "Dr Dick"

and "Dr Delicious" questions. Visitors were mainly South African, but included a number of international visitors. The Womyn2Womyn site was updated to make it more attractive and useful for users.

The **Peer Education Outreach Programme** remained a valuable asset for OUT, ensuring that OUT remained actively involved in reaching out to community members of townships in the greater Tshwane area. The programme involved a group of enthusiastic and dedicated young men and women, recruited directly from the community and trained to become effective role models and opinion leaders, who work directly and informally within their own social and sexual networks. OUT continued investing in the personal development of peer educators through monthly group sessions and monthly individual mentorship sessions. The peer educators initially met every two weeks to report on work that had been done and to plan interventions for the following two weeks.

OUT's Outreach Programme resumed in April 2016 with four "salaried" Peer Outreach Workers (POWs). It was a strategic decision to rather have four more-permanent POWs, than the previous 10 temporary outreach workers, working for a stipend. The idea was to have them do outreach work on a daily and regular basis (based on the model used by the PWID team), instead of on an ad-hoc basis. However, when OUT acquired the Global Fund funding (through Right to Care) in October 2016, the number of salaried POWs was increased to ten again, in order to meet the target demands. A vehicle was rented full-time, and extra equipment was acquired. The outreach work focused on two areas: HIV Testing Services (HTS), and Behaviour Change Interventions (BCI), also known as Key Population Prevention services (KP Prev).

The Global Fund funding was received six months late (the programme started in April 2016) and, although OUT's team was able to meet the quarter targets, OUT was behind on the year targets. It took time to have the POWs trained to be able to provide HTS in a mobile setting (training takes on average between 10-15 days, over a period of three months). This had an impact on reaching the HTS targets. The team also experienced challenges in terms of a large number of male clients (more than two thirds) accessing the services, but not self-identifying as MSM. Since the MSM community is already a difficult-to-reach population, this had a huge impact on achieving targets, as these clients could not be counted. As a result, it appears on paper that the Outreach Programme under-achieved, but in fact the programme achieved very well, given all the challenges.

OUT started discussions with the funder to address these issues, and to come up with a suitable catch-up plan. OUT remains confident that targets will be achieved and that the backlog will be eradicated in the next financial year. Another contributing factor influencing the outreach numbers, is the fact that funders are increasingly interested in the quality of outreach work rather than in mere numbers. The focus is more on the impact of a particular programme. It is required that in-depth sexual risk history taking, as well as a risk reduction plan is done for each contact made with a client by the peer outreach workers.

## HATE CRIME SERVICES - THE LOVE NOT HATE PROGRAMME

The Love Not Hate programme commenced on 27 July 2015. The initial cycle was for a twelve-month period (July 2015 – June 2016), and it was extended to the end of December 2016. A second round of funding was awarded by the US Department of State in November 2016 for the January – December 2017 period. The programme is based on three main objectives:

- Empowerment of LGBTI individuals and communities through strengthened community organisations and competent services and community building.
- Increased capacity in the South African Department of Justice and Constitutional Development to address hate crimes through agreed-upon programmes, in collaboration with LGBTI civil society partners.
- Building of evidence base for programming and advocacy (research).

**Empowerment of LGBTI individuals and communities through strengthened community organisations and competent services and community building.**

### Safe Spaces

The programme aims to hold two safe space meetings per month in each city (in four provinces). These spaces provide individuals, Community Based Organisations (CBOs) and hate crime victims with comfortable spaces in which they can meet and discuss issues and challenges that they face. At times, these platforms are used as a first entry point to report a hate crime case. Programme partners also offered sensitisation workshops in local communities.



A Safe Space meeting

There were 27 safe space meetings held by partners during the year. In Pretoria, 13 of these meetings were hosted by OUT and Access Chapter 2. The number of spaces was under target. Also, as a result of a four month no-cost extension, there was no funding to pay for direct project costs. There was an average of 15 participants per space. Another aim of the safe spaces is leadership development and Triangle

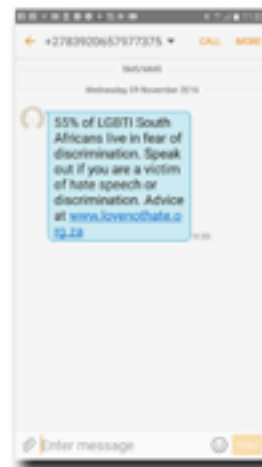
Project (Western Cape) held formal leadership development camps and socials which combined a number of spaces in one event.

### Community Outreach

The Love Not Hate website, which was created in August 2015 was upgraded to a more user-friendly platform in January 2017. The new website will ensure that all previous work is archived and easily accessible. The website is also linked to the Love Not Hate social media pages on both Facebook and Twitter. Some funds were allocated to promoting the social media pages, to ensure that more LGBTI people in the country are reached. The Facebook page grew to over 3 000 likes.

At the partner meeting in June 2016, it was agreed that posters would not be printed going forward. The Marketing Officer was instead to design 'digital' posters and share them on social media. Partners would also share the posters on their websites and social media pages.

There was on-going communication on social media and through the sending of SMSs and e-newsletters to the Love Not Hate contact database. There are over 2 000 SMS and 4 000 e-newsletter contacts on the database.



SMS and newsletter examples

### Hate Crime Cases

When the programme commenced in July 2015, there were 14 recorded LGBTI hate crimes registered with the Department of Justice's Rapid Response Team (RRT). None of the cases were resolved in the year. The number of cases increased to 26 by end of March 2017. It is important to note that these recorded cases at the RRT are not the only cases that are with partners. Partners recorded 39 cases in

2016 that victims did not want to report to the police. Most hate crime victims indicated that they did not have faith in the Criminal Justice System (CJS), while some victims said that they feared that the police would victimise them further (secondary victimisation).

There have also been cases reported to partners in which victims withdrew their cases a few days after reporting because of harassment by the perpetrator or because the perpetrator offered them money or some sort of incentive. The withdrawn cases remain recorded with partners for future reference, should any of the victims decide to reopen a case.

### **Increased capacity in the South African Department of Justice and Constitutional Development to address hate crimes through agreed-upon programmes, in collaboration with LGBTI civil society partners.**

Love Not Hate partners are part of the National Task Team (NTT) and Provincial Task Team (PTT) structures. The NTT has two sub-committees, which are the Working Group (WG) and the Rapid Response Team (RRT). The WG is supposed to meet every two months, and the NTT and RRT to meet quarterly. In the past year, the NTT only met twice, the WG met four times and the RRT met three times. These delays and failure to meet regularly negatively impacted progress on activities and made it a challenge to effectively track pending cases. In addition, there were no clear and realistic operational plans and the needed capacity, skills and budgets to ensure implementation were lacking.

With regards to the RRT, OUT drafted a list of questions on each of the 22 reported cases in September 2016. There was feedback on only six of the 22 cases and the feedback was of very poor quality. A further issue is the regular absence of the police at RRT meetings. The South African Police Service (SAPS) often failed to attend RRT meetings. OUT aimed to monitor progress including requesting regular written follow-ups.

### **Building of evidence base for programming and advocacy (Research).**

A research study was conducted and completed in December 2016. There were 2 130 respondents, representative of race, gender and level of resources from all the provinces. The results of the study indicated that over 44% of LGBT people in South Africa experienced a hate crime or discrimination because of their sexual orientation and/or gender identity and expression. Of those, 88% did not report the incident. This alarming statistic proved once again that the criminal justice system has continued to fail LGBT victims of discrimination.

The report was launched on the 29th of November 2016 at a press conference in Pretoria. OUT's Hate Crime Manager presented a summary of the findings and opened the floor to a question and answer session. A panel of experts was also invited to give input on the report findings and share their experiences with the audience. There will be two community consultations held in each of the four provinces and further dissemination of the report in June 2017.



*The Love Not Hate Hate Crimes Report*

In January 2017, OUT and Triangle Project launched a parliamentary project. The aim is to lobby and advocate for LGBTI programming and for better implementation of activities at the level of Parliament. It is an important shift in expanding beyond the Department of Justice structures as a vehicle to address hate crimes through Government. The programme will also run public campaigns to pressurise Government for better implementation.

The Love Not hate programme was externally evaluated in late 2016 and this showed the positive impact of the programme on the building of local LGBTI communities and how they interact with their broader community in addressing prejudice. The evaluation also indicated Government's awareness of civil society pressure to implement more effectively, but found that there are very few indicators of Government's capacity and plans to make this happen.

## **PEOPLE WHO INJECT DUGS - The Step-Up Project**

The project is funded by the Centres for Disease Control (CDC), through the United States President's Emergency Fund for Aids Relief (PEPFAR) and Mainline, through the Dutch Foreign Ministry, with TB HIV Care and OUT Well-being as implementing partners. It started in 2014 after quantitative studies and a formal mapping of Tshwane, in terms of concentration of injecting drug users, were undertaken.

The project follows the World Health Organisation's (WHO) recommended package for People Who Inject Drugs (PWID). The harm reduction model is a public health approach that seeks to reduce the harms associated with behaviours that place individuals at high risk for the transmission of HIV and other blood borne pathogens, such as Hepatitis C. It is different from approaches such as abstinence. The harm reduction approach meets the user where they are at i.e. still using drugs. It points out risks and assists clients in reducing his/her risks including abstinence, if that is the client's choice.

The majority of service beneficiaries are homeless and unemployed. They face discrimination and stigmatisation from both the general population and law enforcement. For



those who have experienced discrimination or violations of their human rights, these incidents are reported to outreach workers and peer educators and recorded. The project has a human rights and advocacy officer and he also visits police stations in Tshwane in an attempt to build relationships and to find effective ways of sensitising SAPS officers to relevant issues. A quarterly report is published on human rights violations and this report is used for advocacy purposes.

In January 2017, two outreach workers and a social worker from the University of Pretoria were arrested while on outreach in Marabastad at approximately 12:00 in the afternoon. They were charged at around 21:00 with:

1. Contravention of the Medicines and Related Substance Act 101 of 1965, sub section 22A.
2. Distribution of medical instruments for an illegal purpose.

The above charges relate to the distribution of sterile water to clients for safer injecting. It is an example of abuse, misinformation and opposition to harm reduction approaches. Bail was only granted and paid at approximately 02:00 in the morning.



*The Step-Up Mobile Wellness vehicle*

Despite a range of physiological and psychosocial issues, People Who Inject Drugs (PWID) and People Who Use Drugs (PWUD) rarely have access to health services. This project seeks to address this issue with the collection of data and the roll out of evidence based health interventions to the PWID and PWUD community.

Step-Up offers the following services:

- HIV counselling and testing and referral for antiretroviral therapy
- Condom and lubricant dissemination
- Needle and syringe programme
- Prevention, screening and referral of sexually transmitted infections
- Targeted information, education and communication materials for PWID
- Prevention, screening and referral for tuberculosis treatment
- Human rights: recording and referral
- Advocacy
- Wound care

A Drop-In Centre, which operates on Mondays, Wednesdays and Thursdays was also built and officially opened on 1 December 2015. The Drop-In-Centre offers a safe-haven for homeless people and people who use or inject drugs. Visitors can use the shower facilities, relax and watch a movie and meals are provided once a week.



*The Drop-In-Centre*

The following numbers were achieved in the past year:

- Total HCT: 646
- Total HIV +: 130
- Total Health Screens: 646
- Total Needles & Syringes distributed: 377 545
- Total Needles & Syringes collected: 248 576
- Total Needles & Syringes picked up: 3 075
- Total Behaviour Changes Done: 19 732
- Total number of contacts made: 27 221
- Total number of individuals contacted: 1 428

The Step-Up Project partnered with the University of Pretoria to implement a project called the Community Oriented Substance Use Programme (COSUP). This new and exciting initiative involves the City of Tshwane in starting the very first city funded Opioid Substitution Programme (OST). OST programmes are bio-medical interventions that substantially reduce illicit opiate use, HIV risk behaviours, death from overdose and criminal activity, and financial and other stresses on drug users and their families. These programmes also improve adherence to antiretroviral therapy and the physical and mental health of injecting drug users. The programme has a full time social worker and a clinical associate. The programme has also introduced a locum doctor on Wednesday to assist clients with scripts and other health care needs.

## MARKETING

In 2016/2017, OUT's marketing and communications work focused on three key areas: The TEN81 key populations clinic and its services, the Love Not Hate campaign, and general OUT marketing. Some additional work was also done around the Step-Up Project.

### General OUT Marketing & Communications

OUT's services, events and related news and developments

were communicated via the various OUT platforms; including OUT's website, Facebook and Twitter pages, monthly newsletters, monthly SMSs and press releases. A monthly poster was produced based on a monthly psychosocial theme offering useful tips and advice; and then adapted for use on social media, monthly newsletters, the OUT site etc. Topics this past year focused on self-help and empowerment and included "How to deal with bad habits", "Making better decisions", "How to handle rejection," and advice on "Coming out".

Posters and e-invites were also designed to promote OUT's Pink Thirstday social events and the Mams Pride, both in Mamelodi, which OUT sponsors. These were posted on the OUT site, Facebook, Twitter and in the OUT newsletter. Event pages were created on Facebook for the events and some posters (such as those for Pink Thirstday and Mams Pride) were printed.



The OUT website

A number of press releases were produced and issued to the media during the year on behalf of OUT. These focused on topics such as responding to a report on homophobia in Gauteng, information on the national study on viral hepatitis, and the arrest of two OUT staff members for handing out sterile water (as part of their work for the Step-Up project). These press releases helped OUT stay in the public eye and OUT was requested on a number of occasions to comment or have its staff be interviewed by journalists on LGBTI issues.

Social media memes for events such as the International Day Against Homophobia and Transphobia, World Aids Day and Human Rights Day were also created and posted on OUT's social media. For the first time in a number of years, OUT's total e-mail databases shrank; down to less than 5 000 subscribers in this period. This may be attributed to growing numbers of "opt outs" (email newsletters are increasingly seen as spam), and a new email delivery service provider which 'cleaned out' emails that had become 'stale' or were not delivering. The OUT SMS database, however, increased to over 1 500 subscribers. These databases were maintained and updated throughout the year.

The Men2Men and Womyn2Womyn sites were maintained with monthly updates (including theme postings and polls). Ad-hoc articles around LGBTI rights, developments in HIV treatment and prevention and news related to OUT's work

were published on these sites and the OUT site; to stimulate interest and increase client numbers. However, due to no budget being allocated to creating unique content for these sites, traffic has gradually decreased over the last year.

General content on the OUT website was updated; including staff, services, press releases and other news. Marketing was responsible for other ad-hoc design work, including the design of various posters, signage, layout of the annual report and business cards. Maintaining and growing OUT's social media presence was again a focus of marketing this year. The OUT Facebook page grew to a healthy 4 122 likes, and the OUT Twitter profile to 1 144 followers.

## TEN81 Clinic and Services

There was a concerted effort to re-brand OUT's services and related promotional materials to the TEN81 brand this year. For example, as of February 2017, we began to rebrand the psychosocial themes under TEN81. Event and outdoor materials were updated and revisited, including new sharkfin banners, information and testing gazebos and business cards – all with the aim of increasing visibility and uptake of services at events (such as at Pretoria Pride). There was also the design and production of promotional materials including TEN81 branded water bottles, t-shirts, caps and memory sticks.

In June, we launched a new ongoing campaign to promote TEN81's services, called the "Tribes" campaign. It makes use of cartoon characters that represent various subcultures within the LGBT community, known as "tribes". Eleven characters – mostly MSM – were created for the campaign. The campaign launch included a press release to the media and a month-long advertising campaign on GaySA Radio and in LGBT media such as Exit and Mambaonline.com. Three new flyers under the Tribes campaign were produced focusing on: TEN81 Services, Reasons to get tested, and information about PEP & PrEP. Eleven posters, each highlighting a Tribes character, were also produced.



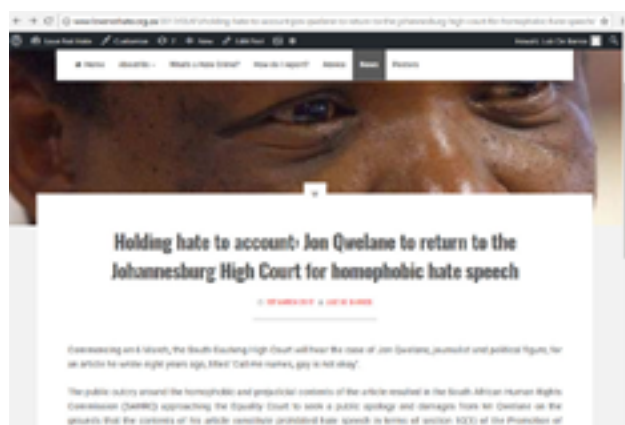
TEN81 Tribes info flyer

One of the most exciting and effective developments this year was the implementation of a monthly Facebook advertising campaign, using the Tribes characters, targeting LGBT and MSM clients in the Gauteng area. A different TEN81 service was focused on each month, with the call to action being

for clients to call the clinic for an appointment. The impact has been substantial. The TEN81 Facebook page saw a sharp increase in likes from 750 to more than 6,800 followers. This has dramatically increased our reach on social media and our ability to target our audience. It also appeared to (anecdotally) boost clients at the clinic. The Facebook ads also resulted in a considerable increase in social media interaction with clients, both through comments and queries on ads and posts, and through direct messaging. This has become an increasingly popular platform for queries about services and requests for appointments from clients. As of March 2016, the marketing and communications department was preparing for the launch of PrEP services at the TEN81 clinic in early April.

### Hate Crimes Campaign

The Love Not Hate campaign continued on into the 2016 / 2017 year, with some substantial marketing and communications developments. There was less focus on monthly printed posters and monthly emails and SMSs. These communications and 'poster' designs (now only used online) were instead produced every second month. These were based on a hate crime related theme and provide information and advice to the LGBT community on hate crimes.



Article on the Love Not Hate website

There was a drive to produce more content about hate crimes through articles and press releases. This included content responding to hate crime incidents, first-hand accounts of hate crimes, and a focus on five unresolved hate crime cases. The Love Not Hate e-mail subscriber database decreased to 3 800 subscribers, although the SMS database grew to 2 550 people. A new pamphlet about hate crimes was produced, as was a printed version of a report on hate crimes in South Africa, based on the study conducted by OUT on behalf of the Love Not Hate campaign. The report - "Hate Crimes against Lesbian, Gay, Bisexual and Transgender (LGBT) People in South Africa, 2016" - was launched on 29 November with a press release and a launch event. A printed version of the report focusing on the transgender community is being produced.

A new, far more professional and user friendly Love Not Hate website was also created and launched this year. Once again, budget allocated to advertising Love Not Hate content and articles on Facebook as from March 2017, saw a marked increase in likes on the Love Not Hate page. The likes, as of the end of March, grew to 1 500 on Facebook (and rising fast).

## MANAGEMENT & FINANCIAL

The OUT strategic plan (2013 - 2018) directs much of OUT's work in the areas of hate crimes and HIV/health. It's tasked with providing direct services and building expertise and integrating these within larger systems such as Government services. Many of OUT's funders require detailed operational plans and these were integrated into an overall workplan for the financial year. Monitoring took place through monthly staff meetings and two-monthly management meetings. Staff meetings also include peer educators and focus on operational implementation and reflection and evaluation. Management meetings are attended by the Director, the Health Manager, the Hate Crimes Manager, the PWID Manager and the Office- and Financial Managers. The focus of the management meetings is on financial management, programme progress as well as human resources issues.

The staff component grew in the year from 29 to 39, mainly due to a new contract that expanded health services and saw, inter alia, the employment of a full-time monitoring officer and a bookkeeper. Also, for the first time, OUT employed a full-time Financial Manager, increasing capacity to manage finances. New auditors, MVB auditors, were appointed and the contract with Roux van Rooyen was ended. There were significant policy reviews: injury on duty, 2nd jobs with remuneration, dress code, and risk management. There were reviews on current policies around substance use and a refinement on performance evaluations.

Prof Vasu Reddy resigned as Board Chair. Three new Board Members joined: Lerato Lebona, Matuba Malatje and Marna Kock. The Board meets quarterly to focus on implementation through submitted quarterly reports, financial management through management accounts (Balance Sheet and Income & Expenditure statements), and on-going strategic direction.

OUT's income grew from R9 252 280.00 in the 2015/16 financial year to R11 690 852.85 in 2016/17, an increase of 21% in the budget. A 5-year contract was entered into with the CDC, with TB & HIV Care as the main recipient. OUT forms part of one of five clusters in a consortium i.e the key population cluster and budgets for service delivery to MSM and PWID are integrated into the OUT budget. A 3-year contract was signed with Right to Care on HIV services to MSM.

A contract was also signed with the University of Pretoria for the COSUP project. On-going funding was from COC the Netherlands; the Bristol Meyers Squib Foundation, for a research study on Hepatitis B&C prevalence; the Gauteng Department of Health, through provision of commodities and pathology for 1081; the Gauteng LGBTI Sector; Mainline the Netherlands, for the PWID programme; and the French Embassy.

Financial management improved by working through historical unclarities. The audit will be completed earlier than in previous years. It shows an operating profit which is mainly due to an exchange rate gain. There are under-recoveries of salaries and certain overhead costs which will need to be addressed in future budgets.



## OUT Staff Members



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



**Lucy Thukwane** is a Clinical Nurse at OUT's TEN81 Centre and is responsible for HIV testing and counselling, STI screenings and other clinical services and support. She has numerous nursing qualifications, including a Certificate in Competency in MSM Health Management



**Johan Meyer** is the Health Manager at OUT. He has a BD Theology degree, with special interest in Marriage and Family Counselling. Apart from having been a pastor for six years, Johan also worked in the mental health field for eight years.



**Samuel Nthusane** is the Reception Clerk at the OUT office and Ten81 Centre in Hatfield, Pretoria. He from Soshanguve and first joined OUT as a Peer Educator in August 2010. Samuel is studying towards a diploma in Marketing with Unisa.



**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.



**Clarah Makhwela** has been the office domestic worker for OUT for the past two decades



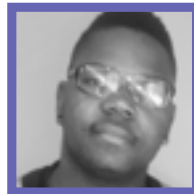
**Lerato Phalakatshela** is the Love Not Hate Programme Manager. He is responsible for assisting hate crime victims, managing safe spaces and overseeing the overall project. Lerato holds a Bachelor's Degree in Town and Regional Planning and a Diploma in Project Management.



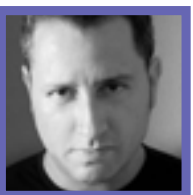
**Marietjie Botha** is OUT's Financial Manager. She has roughly 20 years' experience in finance, and loves numbers and reading. She has a passion for community work and is involved in a project feeding babies of unemployed parents.



**Jay Matlou** joined OUT LGBT Well-being through a learnership that led to his current position as Master Trainer and Health Officer. He is also studying toward his BA degree in Psychology at UNISA.



**Happy Phaleng** is the Peer Outreach Coordinator at OUT. He is an inspirational young activist who educates and advocates for the youth, especially LGBTI youth in rural areas.



**Luiz De Barros** has a BA in English and Psychology and a BA Honours in Drama and Film. He co-founded the multimedia agency Underdog where he worked as Creative Director for 14 years. He is Marketing and Communications Coordinator at OUT and editor of Mambaonline.com.



**Maccmillan Ngoben** is the Bookkeeper at OUT. He holds a NCV in Finance, Economics and Accounting Level 4 and is about to complete a Higher Certificate in Accounting Sciences. He comes from a background as a voluntary LGBTI activist.

## OUT Staff Members



**Randy Tshisaphungo** is a Clinic Nurse at OUT's TEN81 Centre in Hatfield, Pretoria. She has a diploma in Human Resources from Vaal University of Technology and did a Nursing diploma at the Ann Latsky Nursing College.



**Katiso Maphepa** is the Monitoring & Evaluation Officer at OUT. He holds an M&E Guidelines for Sex Workers, Men who have sex with Men, Transgender Populations Certificate, and Social Marketing for Health Certificate. He is doing a National M&E Certificate with the FPD Foundation.



**Nicholas Tsoeu** is the Clinic & Outreach Registered Nurse at OUT. His focus is on HIV/AIDS, STIs & TB Management. He also holds a teacher's diploma and has worked in various service delivery fields.

## Step-Up Staff



**Nelson Medeiros** is the Project Coordinator for the Step-Up Project. He is responsible for the running and management of the project, staff, training, sensitisation of stakeholders and engagements.



**Angela McBride** assists with HIV testing and counselling, sterile injecting equipment distribution, Hepatitis B & C testing as well as administration and stakeholder engagement.



**Henri Bam** is an outreach worker who does peer to peer education with PWID. He is also involved with engagements with law enforcement and sensitisation, quality control and quality assurance and stock control.



**Roy Derick Louw** aids clients in the reduction of the spread of HIV and Hepatitis and educates on safer injecting practices. He is also the driver for the project.



**Rorisang Monegi** provides HIV testing and counselling for PWID. He assists with health services such as wound care, referrals, rehabilitation referrals, Hepatitis C and B testing and provision of Hep B vaccine and sterile injecting equipment.



**Urell Wes Oliver** is an outreach worker for the Step-Up Project. He also assists with reporting of Human Rights violations for the programme.



## Step-Up Staff



**Lesego Mohlala** is the Admin Clerk / Data-Capturer for the Step-Up Project. He holds a National Diploma in Language Practice and National Certificate in Office Management.



**Andries Swarts** is an Outreach Worker for the Step-Up Project. His interests include music, movies, playing with his dogs and trying to make a difference in other people's lives.



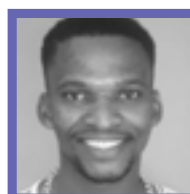
**Connie Van Staden** is the Human Rights & Advocacy Officer for the Step-Up Project. In his free time he does tattoos, especially for his friends.

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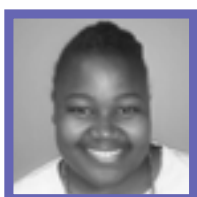
## Peer Educators



**Doricah** (Hate Crime Peer Educator) holds a BA Community Development and Leadership Degree. She is passionate about community work and she wants to contribute to building a safer LGBTI community.



**Sinethemba Sakati** holds a BA psychology degree. He is passionate about community work, singing and fashion styling, and loves life.



**Tebatso Mothapo** is passionate about life and helping people understand and accept themselves for who they are.



**Maria Letsoalo** is passionate about educating people about human sexuality, with the aim of eradicating homophobia.



**Tshepang Mosses Mbatha** has a love for community development and wants to contribute to building a healthier and safer LGBTI community. He is studying Business Administration and Health Promotion.



**Anna Matemane** is a social worker student who is highly motivated and enjoys working with diverse groups of people.

## Peer Educators



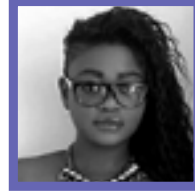
**Nazo Tunzi** is an LLB graduate based in Pretoria who is passionate about equality and empowerment of marginalised groups of people. She has spoken at several national and international HIV/AIDS conferences.



**Dlozi Nthethwa** is a multimedia publisher. She has an aesthetic for juxtaposition and a talent for image up-cycling. A passion for community development drives her to participate in and create digital products that support disadvantaged groups.



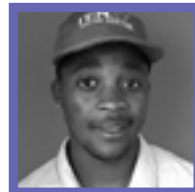
**Thabang Mbongeni Ngubeni** has a background in working in retail and customer service relations. He is passionate about bettering people's lives by promoting healthy living.



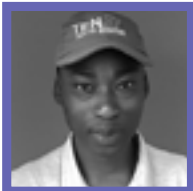
**Fortunate Ndlovu** has a BA in Psychology and Sociology. She has a passion for working with people from diverse walks of life.



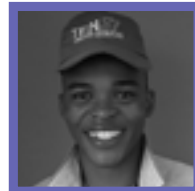
**Eden Storum** believes that peer education is an incredible tool that he uses to help better people's lives.



**John Morake** feels that helping and making a difference in people's lives through the peer education programme is an honour and a privilege.



**Joseph Mavundlela** says that being able to influence people's lives positively by taking wellness services to them brings him a great deal of satisfaction.



**Siyabonga Ndumiso** is a registered nurse who is passionate about community development programmes for the marginalised.



**Bonolo Ntlatleng** says that being a peer educator gives him a platform to help his peers better understand themselves and others.

## OUT Board Members

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 is a Board Member of the Durban Gay and Lesbian Centre.



**Prof Frans Viljoen** (MA, LLB, LLD (Pretoria), LLM (Cambridge)) 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.



**Robert Cameron-Ellis**, Treasurer of the Board. Mr 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.



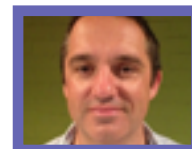
**Prof. AH Mavhandu-Mudzusi** is a senior lecturer, specialising in Basic Epidemiology for Health Sciences. She holds a PhD in Management, Masters in Nursing, Honours in Psychology and Honours in Nursing. She also has several diplomas in Nursing. Her main passion is advocacy for marginalised groups. She is involved in several LGBTI research projects, both at national and international level. She is the first black female heterosexual board member of OUT.



**Nicholas 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.



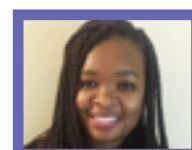
**Francois Joubert** is a project risk management specialist. He graduated as a mechanical engineer in 1994 and has since obtained a MEng (Technology Management), MBA and MPhil (Ethics) and PhD. He has extensive experience in the systems and processes related to project management, construction management, project controls and quality management. He lectures at post graduate level at the University of Pretoria as well as the Nelson Mandela Metropolitan University in Port Elizabeth.



**Adv MJ Kock** - (B.lur, LLB, LLM (Pretoria), MBA (TUT)) - is a Director: Legislative Drafting for the Department of Cooperative Governance. She is an expert in public governance in South Africa. She is a human rights activist and passionate about the protection thereof.



**Lerato Lebona** is a public health specialist with over 8 years experience working in the public health field both locally and regionally in the areas of HIV/AIDS, Gender and Human Sexuality, Sexual Reproductive Health and Rights, and TB. Lerato holds a Master of Public Health from the University of Witwatersrand, a Bachelor of Arts (honours) degree in Social Behaviour Studies in HIV/AIDS from UNISA and a Bachelor of Social Science degree in Psychology from the University of Pretoria.



**Matuba Mahlatjie**, a journalist by training, is currently News Editor at eNCA. He is also a Sangoma and a social activist with a passion for human rights, especially with regard to the LGBTI community.



OUT Funders



**MAINline**



**GAUTENG**  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA



**OPEN SOCIETY**  
FOUNDATIONS

## Audited financial statements

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

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED

31 MARCH 2017



GEREGISTREERDE REKENMEESTERS EN OUDITEURE  
REGISTERED ACCOUNTANTS AND AUDITORS

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

(Registration number 000/219/NPO)

Financial Statements for the year ended 31 March 2017

### General Information

|   |  |
|---|--|
| Nature of business and principal activities | Health Services and Advocacy   |
| Board Members                               | Dr F Joubert - Chairman<br>RE Cameron Ellis - Treasurer<br>N Nkosi - Board Member<br>Prof A Mavhandu-Mudzusi - Board Member<br>Prof F Viljoen - Board Member<br>DNF Nel - Executive Director<br>L Lebona - Board Member<br>Adv M Kock - Board Member<br>M Mahlatjle - Board Member |
| Business address                            | 1081 Pretorius Street<br>Hatfield<br>0083  |
| Bankers                                     | ABSA Bank Ltd  |
| Auditor's                                   | MVB<br>Chartered Accountants (S.A.)<br>Registered Auditors   |
| NPO number                                  | 000-219-NPO  |

### Index

The reports and statements set out below comprise the financial statements presented to the board and stakeholders:

| Index  | Page    |
|--|---------|
| Board Members' Responsibilities and Approval   | 2       |
| Independent Auditor's Report   | 3 - 4   |
| Board Members' Report  | 5       |
| Statement of Financial Position  | 6       |
| Statement of Comprehensive Income  | 7       |
| Statement of Changes in Equity   | 8       |
| Statement of Cash Flows  | 9       |
| Accounting Policies  | 10 - 11 |
| Notes to the Financial Statements  | 12 - 15 |
| The following supplementary information does not form part of the financial statements and is unaudited: |         |
| Detailed Income Statement  | 16 - 17 |



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

(Registration number 000/219/NPO)

Financial Statements for the year ended 31 March 2017

**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 entity 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 International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor's is engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements 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 members 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 2018 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 auditor's are responsible for independently auditing and reporting on the entity's financial statements. The financial statements have been examined by the entity's external auditor's and their report is presented on page 3.

The financial statements set out on pages 5 to 17, which have been prepared on the going concern basis, were approved by the board members on 21 October 2017 and were signed on its behalf by:

**Approval of financial statements**


Dr F Joubert - Chairman



RE Cameron Ellis - Treasurer





GEREGISTREERDE REKENMEESTERS EN OUDITEURE  
REGISTERED ACCOUNTANTS AND AUDITORS

Agri-hub Office Park Building / Gebou A  
477 Witherite Street / Straat  
The Willows / Die Wilgers  
Pretoria  
0184

Our Ref:  
Ons Verw:

PRAKTYK NR. / PRACTICE NO.  
903147



23, Pretoria, 0001  
t: +27 12 460 9146  
f: +27 86 578 0000  
mvd@mvd.co.za  
www.mvd.co.za

Your ref:  
U Verw:

## Independent Auditor's Report

To the board and stakeholders of OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING

### Opinion

We have audited the Financial Statements of OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING set out on pages 6 to 15, which comprise the Statement of Financial Position as at 31 March 2017, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

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 2017, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the constitution of OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The board members are responsible for the other information. The other information comprises the Board Members' Report as required by the constitution of OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING, which we obtained prior to the date of this report. Other information does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements 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.

## Independent Auditor's Report

### Responsibilities of the board members for the Financial Statements

The board members are responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the constitution of OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING, and for such internal control as the board members determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the board members are responsible for assessing the entity'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 the board members either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are 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 International Standards on Auditing 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 these Financial Statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

We communicate with the board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

  
 MVB  
 T.J. O'Neill CA (SA)  
 Chartered Accountants (S.A.)  
 Registered Auditor

21 October 2017

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

(Registration number 000/219/NPO)

Financial Statements for the year ended 31 March 2017

### Board Members' Report

The board members have pleasure in submitting their report on the financial statements of OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING for the year ended 31 March 2017.

#### 1. Nature of business

During the year the entity operated as non-profit organisation providing health and advocacy services to the lesbian, gay, bisexual and transgender community. No material changes took place in the principle nature of the organisation.

#### 2. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the constitution of OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the entity are set out in these financial statements.

#### 3. Board Members

The board members at the date of this report are as follows:

| Board Members                          | Changes                    |
|--|----------------------------|
| Dr F Joubert - Chairman                |                            |
| Prof V Reddy - Board Member            | Resigned 12 November 2016  |
| RE Cameron Ellis - Treasurer           |                            |
| N Nkosi - Board Member                 |                            |
| Dr CN Moshtha - Board Member           | Resigned 12 November 2016  |
| Prof A Mavhandu-Mudzusi - Board Member |                            |
| Prof F Viljoen - Board Member          |                            |
| DNF Nel - Executive Director           |                            |
| L Lebona - Board Member                | Appointed 12 November 2016 |
| Adv M Kock - Board Member              | Appointed 12 November 2016 |
| M Mahlatjie - Board Member             | Appointed 12 November 2016 |

#### 4. Events after the reporting period

The insurance settlement claim from ABSA for the amount of R150 000 was received after the year end.

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

#### 5. Going concern

The board members believe that the entity has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The board members have satisfied themselves that the entity is in a sound financial position and that it has access to sufficient donor funding to meet its foreseeable cash requirements. The board members are not aware of any material changes that may adversely impact the entity. The board members are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the entity.

#### 6. Auditors

MVB continued in office as auditors for the entity for 2017.

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

(Registration number 000/219/NPO)

Financial Statements for the year ended 31 March 2017

**Statement of Financial Position as at 31 March 2017**

|                                     | Notes | 2017<br>R        | 2016<br>R        |
|-------------------------------------|-------|------------------|------------------|
| <b>Assets</b>                       |       |                  |                  |
| <b>Non-Current Assets</b>           |       |                  |                  |
| Property, plant and equipment       | 2     | 269,383          | 269,179          |
| Other financial assets              | 3     | 280,000          | 400,000          |
|                                     |       | <u>549,383</u>   | <u>669,179</u>   |
| <b>Current Assets</b>               |       |                  |                  |
| Trade and other receivables         | 4     | 466,889          | 389,810          |
| Other financial assets              | 3     | 120,000          | 120,000          |
| Cash and cash equivalents           | 5     | 549,308          | 129,377          |
| Prepayments                         | 6     | 42,149           | -                |
|                                     |       | <u>1,178,344</u> | <u>638,987</u>   |
| <b>Total Assets</b>                 |       | <u>1,727,727</u> | <u>1,308,166</u> |
| <b>Equity and Liabilities</b>       |       |                  |                  |
| <b>Equity</b>                       |       |                  |                  |
| Fixed asset reinstatement reserve   |       | 571,479          | 382,867          |
| Retained income                     |       | 309,256          | 52,922           |
|                                     |       | <u>880,735</u>   | <u>435,589</u>   |
| <b>Liabilities</b>                  |       |                  |                  |
| <b>Current Liabilities</b>          |       |                  |                  |
| Trade and other payables            | 7     | 67,078           | 145,903          |
| Provisions                          | 8     | 153,627          | -                |
| Bank overdraft                      | 5     | -                | 9,300            |
| Unspent project funds               | 9     | 625,267          | 717,374          |
|                                     |       | <u>846,962</u>   | <u>872,577</u>   |
| <b>Total Equity and Liabilities</b> |       | <u>1,727,727</u> | <u>1,308,166</u> |

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

(Registration number 000/219/NPO)

Financial Statements for the year ended 31 March 2017

### Statement of Comprehensive Income

|  | Notes | 2017<br>R      | 2016<br>R      |
|--|-------|----------------|----------------|
| Revenue  | 10    | 10,860,522     | 9,252,280      |
| Other income                                   |       | 900,851        | 1,013,266      |
| Operating expenses                             |       | (11,507,135)   | (9,926,278)    |
| <b>Operating surplus</b>                       |       | <b>254,538</b> | <b>339,268</b> |
| Investment revenue                             |       | 1,964          | 1,333          |
| Finance costs                                  | 11    | (168)          | (793)          |
| <b>Surplus for the year</b>                    |       | <b>256,334</b> | <b>339,808</b> |
| Other comprehensive income                     |       | -              | -              |
| <b>Total comprehensive income for the year</b> |       | <b>256,334</b> | <b>339,808</b> |

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

(Registration number 000/219/NPC)

Financial Statements for the year ended 31 March 2017

**Statement of Changes in Equity**

|  | Fixed assets<br>reinstatement<br>reserve<br>R | Retained<br>income<br>R | Total equity<br>R |
|--|---|-------------------------|-------------------|
| <b>Balance at 01 April 2015</b>                | <b>106,584</b>                                | <b>(286,886)</b>        | <b>(180,302)</b>  |
| Surplus for the year                           | -   | 339,808                 | 339,808           |
| Fixed assets reinstated                        | 276,083                                       | -                       | 276,083           |
| <b>Total comprehensive income for the year</b> | <b>276,083</b>                                | <b>339,808</b>          | <b>615,891</b>    |
| <b>Balance at 01 April 2016</b>                | <b>382,667</b>                                | <b>52,922</b>           | <b>435,589</b>    |
| Surplus for the year                           | -   | 256,334                 | 256,334           |
| Fixed assets reinstated                        | 188,812                                       | -                       | 188,812           |
| <b>Total comprehensive income for the year</b> | <b>188,812</b>                                | <b>256,334</b>          | <b>445,146</b>    |
| <b>Balance at 31 March 2017</b>                | <b>571,479</b>                                | <b>309,256</b>          | <b>880,735</b>    |

Note(s)

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

(Registration number 000/219/NPC)

Financial Statements for the year ended 31 March 2017

**Statement of Cash Flows**

|   | Note(s) | 2017<br>R       | 2016<br>R       |
|---|---------|-----------------|-----------------|
| <b>Cash flows from operating activities</b> |         |                 |                 |
| Cash receipts from funders                  |         | 11,031,898      | 8,975,664       |
| Cash paid to suppliers and employees        |         | (10,523,960)    | (9,011,636)     |
| Cash generated from (used in) operations    | 13      | 507,938         | (35,972)        |
| Interest income                             |         | 1,964           | 1,333           |
| Finance costs                               |         | (168)           | (793)           |
| <b>Net cash from operating activities</b>   |         | <b>509,734</b>  | <b>(35,432)</b> |
| <b>Cash flows from investing activities</b> |         |                 |                 |
| Purchase of property, plant and equipment   | 2       | (200,505)       | (71,098)        |
| Proceeds from financial assets              |         | 120,000         | 120,000         |
| <b>Net cash from investing activities</b>   |         | <b>(80,505)</b> | <b>48,902</b>   |
| <b>Cash flows from financing activities</b> |         |                 |                 |
| <b>Total cash movement for the year</b>     |         | <b>429,229</b>  | <b>13,470</b>   |
| Cash at the beginning of the year           |         | 120,077         | 106,607         |
| <b>Total cash at end of the year</b>        | 5       | <b>549,306</b>  | <b>120,077</b>  |



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

(Registration number 000/219/NPC)

Financial Statements for the year ended 31 March 2017

**Accounting Policies****1. Presentation of financial statements**

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the constitution of OUT LESBIAN / GAY / BISEXUAL / TRANSGENDER (LGBT) WELL BEING. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

**1.1 Property, plant and equipment**

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

| Item                   | Depreciation method | Average useful life |
|------------------------|---------------------|---------------------|
| Furniture and fixtures | Straight line       | 6 Years             |
| Motor vehicles         | Straight line       | 5 Years             |
| Office equipment       | Straight line       | 6 Years             |
| IT equipment           | Straight line       | 3 Years             |

Additions to assets with a cost below R7 000 are written off to R1 in the year purchased.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

Gains and losses on disposals are recognised in profit or loss.

Where donor funding is used to purchase an asset, the purchase is initially offset against such donor funds. The asset is immediately reinstated and a corresponding credit is made against a fixed assets reinstatement reserve. The resulting asset is then depreciated over its useful life.

**1.2 Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

**1.3 Provisions and contingencies**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

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 the passage of time is recognised as interest expense.

**1.4 Revenue**

Revenue is recognised to the extent that the entity has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the entity. Revenue is measured at the fair value of the consideration received or receivable, excluding VAT and discounts.



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

(Registration number 000/219/NPO)

Financial Statements for the year ended 31 March 2017

### Accounting Policies

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#### 1.4 Revenue (continued)

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 the 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 in which it becomes receivable.

Interest is recognised, in profit or loss, using the effective interest rate method.

#### 1.5 Foreign exchange

##### Foreign currency transactions

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

Where a donor requires expenditure to be reported on at a specific date, the expenditure is recorded at that rate against the donor's project. The difference between that rate and the actual rate is reflected as an exchange difference at the same time.

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

(Registration number 000/219/NPO)

Financial Statements for the year ended 31 March 2017

**Notes to the Financial Statements**

|  | 2017 | 2016 |
|--|------|------|
|  | R    | R    |

**2. Property, plant and equipment**

|                        | 2017           |                          |                | 2016           |                          |                |
|------------------------|----------------|--------------------------|----------------|----------------|--------------------------|----------------|
|                        | Cost           | Accumulated depreciation | Carrying value | Cost           | Accumulated depreciation | Carrying value |
| Furniture and fixtures | 90,883         | (90,643)                 | 40             | 28,698         | (25,399)                 | 3,299          |
| Motor vehicles         | 218,005        | (61,768)                 | 156,237        | 218,005        | (18,167)                 | 199,838        |
| Office equipment       | 123,355        | (98,854)                 | 24,501         | 98,509         | (93,420)                 | 5,089          |
| IT equipment           | 357,598        | (268,873)                | 88,725         | 243,904        | (182,951)                | 60,953         |
| <b>Total</b>           | <b>789,821</b> | <b>(520,238)</b>         | <b>269,583</b> | <b>589,116</b> | <b>(319,937)</b>         | <b>269,179</b> |

**Reconciliation of property, plant and equipment - 2017**

|                        | Opening balance | Additions     | Reinstatement adjustments | Depreciation     | Total          |
|------------------------|-----------------|---------------|---------------------------|------------------|----------------|
| Furniture and fixtures | 3,299           | -             | 61,985                    | (65,244)         | 40             |
| Motor vehicles         | 199,838         | -             | -                         | (43,601)         | 156,237        |
| Office equipment       | 5,089           | -             | 24,826                    | (5,534)          | 24,381         |
| IT equipment           | 60,953          | 11,694        | 102,000                   | (86,922)         | 88,725         |
|                        | <b>269,179</b>  | <b>11,694</b> | <b>168,811</b>            | <b>(200,301)</b> | <b>269,383</b> |

**Reconciliation of property, plant and equipment - 2016**

|                        | Opening balance | Additions     | Reinstatement adjustments | Depreciation    | Total          |
|------------------------|-----------------|---------------|---------------------------|-----------------|----------------|
| Furniture and fixtures | 4,848           | -             | -                         | (1,349)         | 3,299          |
| Motor vehicles         | 218,005         | -             | -                         | (18,167)        | 199,838        |
| Office equipment       | 12,723          | -             | -                         | (7,634)         | 5,089          |
| IT equipment           | 42,888          | 13,020        | 58,078                    | (53,033)        | 60,953         |
|                        | <b>278,264</b>  | <b>13,020</b> | <b>58,078</b>             | <b>(80,183)</b> | <b>269,179</b> |

**3. Other financial assets**

|                           |                |                |
|---------------------------|----------------|----------------|
| <b>At amortised cost</b>  |                |                |
| L. Stassen                | 400,000        | 520,000        |
| <b>Non-current assets</b> |                |                |
| At amortised cost         | 280,000        | 400,000        |
| <b>Current assets</b>     |                |                |
| At amortised cost         | 120,000        | 120,000        |
|                           | <b>400,000</b> | <b>520,000</b> |

The financial asset represents the recoverable amount relating to unauthorised expenditure recoveries. The asset is recoverable in monthly instalments of R10 000.

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

(Registration number 000219/NPO)

Financial Statements for the year ended 31 March 2017

**Notes to the Financial Statements**

|   | 2017<br>R      | 2016<br>R      |
|---|----------------|----------------|
| <b>4. Trade and other receivables</b>                                 |                |                |
| Accrued income: CoC Netherlands                                       | -              | 108,439        |
| Accrued income: Department of Community Safety                        | 15,000         | 15,000         |
| Accrued income: PWID  | -              | 114,398        |
| Accrued income: Right to Care   | 3,420          | -              |
| Accrued income: TB/HIV Care   | 31,921         | -              |
| Accrued income: University of Pretoria                                | 146,458        | -              |
| Deposits  | 35,450         | 35,450         |
| Employee costs in advance   | 3,447          | 9,165          |
| Salary control account  | 4,667          | -              |
| VAT   | 226,596        | 107,158        |
|   | <b>466,869</b> | <b>389,610</b> |
| <b>5. Cash and cash equivalents</b>                                   |                |                |
| Cash and cash equivalents consist of:                                 |                |                |
| Bank balances   | 522,887        | 91,591         |
| Cash on hand  | 111            | 2,000          |
| Short-term deposits   | 25,067         | 52,021         |
| Credit cards  | 1,211          | (16,335)       |
| Monies held in Trust  | -              | (9,300)        |
|   | <b>549,366</b> | <b>120,077</b> |
| Current assets  | 549,366        | 129,377        |
| Current liabilities   | -              | (9,300)        |
|   | <b>549,366</b> | <b>120,077</b> |
| The organisation held monies amounting to R0 (2016: R9,300) in trust. |                |                |
| <b>6. Prepayments</b>   |                |                |
| Right To Care   | 8,069          | -              |
| TB/HIV Care   | 34,000         | -              |
|   | <b>42,149</b>  | <b>-</b>       |
| <b>7. Trade and other payables</b>                                    |                |                |
| Accrued expenses and provisions                                       | -              | 62,020         |
| Trade payables  | 67,078         | 63,883         |
|   | <b>67,078</b>  | <b>145,903</b> |
| <b>8. Provisions</b>  |                |                |
| Right To Care   | 123,948        | -              |
| TB/HIV Care   | 29,679         | -              |
|   | <b>153,627</b> | <b>-</b>       |

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

(Registration number 000/219/NPC)

Financial Statements for the year ended 31 March 2017

**Notes to the Financial Statements**

|  | 2017<br>R      | 2016<br>R       |
|--|----------------|-----------------|
| <b>9. Unspent project funds</b>  |                |                 |
| CoC - Bridging The Gap   | 6,558          | -               |
| CoC - DidiRi   | 66,501         | 206,186         |
| COSUP  | 268            | -               |
| Department of Health   | 19,697         | -               |
| Hate Crimes - Hivos  | 40,500         | -               |
| Hate Crimes - Open Society Foundation  | 15,061         | 275,769         |
| Mainline   | 119,726        | -               |
| PWID   | -              | 163,634         |
| Right To Care  | 193,808        | -               |
| TB / HIV Care - BMSF   | 19,228         | 70,505          |
| TB / HIV Care - MSM&PWID   | 106,475        | -               |
| The South African National Aids Council  | -              | 1,281           |
| US State Department  | 37,665         | -               |
|  | <b>626,287</b> | <b>717,375</b>  |
| <b>10. Revenue</b>   |                |                 |
| Grant Income Received  | 10,860,822     | 9,252,260       |
| <b>11. Finance costs</b>   |                |                 |
| Interest on bank overdraft   | 168            | 793             |
| <b>12. Taxation</b>  |                |                 |
| No provision has been made for 2017 tax as the entity is exempt from taxation in terms of Section 10(1)(F) of the income tax act as amended. |                |                 |
| <b>13. Cash generated from (used in) operations</b>  |                |                 |
| Profit before taxation   | 256,334        | 339,608         |
| Adjustments for:   |                |                 |
| Depreciation and amortisation  | 200,391        | 80,183          |
| Interest received  | (1,964)        | (1,333)         |
| Finance costs  | 168            | 793             |
| Movements in provisions  | 153,627        | -               |
| Changes in working capital:  |                |                 |
| Trade and other receivables  | (77,279)       | (336,619)       |
| Prepayments  | (42,149)       | -               |
| Trade and other payables   | (78,827)       | (158,349)       |
| Unspent Project Funds  | (91,084)       | (18,536)        |
| Fixed assets reinstated  | 188,811        | 58,076          |
|  | <b>507,938</b> | <b>(35,972)</b> |

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

(Registration number 000/219/NPO)

Financial Statements for the year ended 31 March 2017

### Notes to the Financial Statements

|  | 2017 | 2016 |
|--|------|------|
|  | R    | R    |

#### 14. Operating lease commitments

The entity leases office 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 | 513,216 | 466,550 |
|----------------------|---------|---------|

#### 15. Related parties

##### Relationships

Members of key management

DNF Nel - Director

RE Cameron-Ellis - Treasurer

Related party balances and transactions with key management personnel of the company or its parent

##### Related party transactions

|                            |         |         |
|----------------------------|---------|---------|
| Directors Salary - DNF Nel | 924,844 | 841,020 |
|----------------------------|---------|---------|

#### 16. Going concern

The financial statements have been 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 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 dependent on a number of factors. The most significant of these is that the board continue to procure funding for the ongoing operations for the entity.

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

(Registration number 000216/NPO)

Financial Statements for the year ended 31 March 2017

## Detailed Income Statement

|  | 2017       |                 | 2017                |                    | 2017                  |  | 2016      |                    | 2016                  |  |
|--|------------|-----------------|---------------------|--------------------|-----------------------|--|-----------|--------------------|-----------------------|--|
|  | R          |                 | R                   |                    | R                     |  | R         |                    | R                     |  |
|  | Revenue    | Direct Expenses | Overheads Allocated | Total Project Cost | Surplus / (Shortfall) |  | Revenue   | Total Project Cost | Surplus / (Shortfall) |  |
| <b>Operating income and expenses</b>         |            |                 |                     |                    |                       |  |           |                    |                       |  |
| <b>Project specific and General Funding:</b> |            |                 |                     |                    |                       |  |           |                    |                       |  |
| Axova Health Institute                       | 10,860,022 | (3,266,066)     | (7,554,472)         | (10,021,438)       | 39,365                |  | 9,250,280 | (8,911,312)        | 240,967               |  |
| CoG Bridging the Gaps                        | 882,053    | (201,295)       | (40,745)            | (622,052)          | -                     |  | 4,650     | (4,600)            | -                     |  |
| CoG NODRI                                    | 294,055    | (2,850)         | (291,805)           | (294,655)          | -                     |  | 820,384   | (875,149)          | (54,265)              |  |
| CoG SAPS Roundtable                          | -          | -               | -                   | -                  | -                     |  | 1,019,378 | (1,012,719)        | 6,659                 |  |
| CoGUP  | 188,133    | (36,101)        | (82,032)            | (188,133)          | -                     |  | 34,462    | (34,462)           | -                     |  |
| Department of Community Safety               | -          | -               | -                   | -                  | -                     |  | -         | -                  | -                     |  |
| DOH Sector Coordination and Development      | 960,002    | (840,002)       | (340,000)           | (890,002)          | -                     |  | 15,000    | (348,330)          | (363,330)             |  |
| FPO Training Income                          | 259,008    | (38,374)        | (224,552)           | (259,008)          | -                     |  | 345,889   | (40,000)           | 15,000                |  |
| Hate Crimes: Open Society Foundations        | (40,500)   | (82,500)        | (27,000)            | (89,500)           | (136,000)             |  | 40,000    | (124,221)          | (2,650)               |  |
| HIVCS - Hate Crimes                          | -          | -               | -                   | -                  | -                     |  | 124,221   | -                  | -                     |  |
| HIVCS SAPS                                   | -          | -               | -                   | -                  | -                     |  | -         | -                  | -                     |  |
| LifeLine French Embassy                      | 166,233    | (142,230)       | (24,000)            | (168,230)          | -                     |  | 126,271   | (68,290)           | 138,271               |  |
| LifeLine                                     | -          | -               | -                   | -                  | -                     |  | 68,542    | (27,342)           | 292                   |  |
| LifeLine SAPS Roundtable                     | -          | -               | -                   | -                  | -                     |  | 27,319    | (81,000)           | (25)                  |  |
| PAITH  | 1,317,365  | (277,439)       | (1,039,949)         | (1,317,365)        | -                     |  | 81,000    | -                  | -                     |  |
| Rights to Care                               | -          | -               | -                   | -                  | -                     |  | 177,107   | -                  | 177,107               |  |
| Scholar Trust Money Realisation              | 48,908     | -               | (40,920)            | (40,920)           | -                     |  | -         | -                  | -                     |  |
| TB / HIV Care - PWID Advocacy                | 318,610    | (47,610)        | (271,600)           | (318,610)          | -                     |  | 49,247    | (46,247,000)       | -                     |  |
| TB / HIV Care - BMGF                         | 2,119,581  | (376,714)       | (1,476,069)         | (1,949,794)        | 169,787               |  | 1,598,436 | (1,584,430)        | (62)                  |  |
| TB / HIV Care - M&M                          | 1,721,969  | (44,630)        | (1,691,872)         | (1,721,969)        | -                     |  | -         | -                  | -                     |  |
| TB / HIV Care - MSM/PWID                     | 590,010    | (810)           | (532,249)           | (532,249)          | (874)                 |  | 1,620,647 | (1,625,047)        | (4,399)               |  |
| TB / HIV Care - PWID                         | 1,281      | (1,285,890)     | (220,062)           | (2,186,552)        | 471                   |  | 21,015    | (21,015)           | -                     |  |
| The South African National Aids Council      | -          | -               | -                   | -                  | -                     |  | 3,110,560 | (3,133,562)        | (23,022)              |  |
| US State Department - Hate Crimes            | -          | -               | -                   | -                  | -                     |  | -         | -                  | -                     |  |
| <b>Other Income:</b>                         |            |                 |                     |                    |                       |  |           |                    |                       |  |
| Donations                                    | 960,851    | -               | -                   | -                  | 960,851               |  | 1,013,266 | -                  | 1,013,266             |  |
| Insurance settlement                         | 47,020     | -               | -                   | -                  | 47,020                |  | -         | -                  | -                     |  |
| Profit on exchange differences               | 23,120     | -               | -                   | -                  | 23,120                |  | 4,020     | -                  | 4,020                 |  |
| Rental income                                | 719,006    | -               | -                   | -                  | 719,006               |  | -         | -                  | -                     |  |
| Sundry income                                | 33,531     | -               | -                   | -                  | 33,531                |  | 992,504   | -                  | 992,504               |  |
| Training income                              | 21,598     | -               | -                   | -                  | 21,598                |  | 16,342    | -                  | 16,342                |  |
| Investment revenue:                          | 58,540     | -               | -                   | -                  | 58,540                |  | 400       | -                  | 400                   |  |
| Interest received                            | 1,964      | -               | -                   | -                  | 1,964                 |  | 1,333     | -                  | 1,333                 |  |
|  | 1,964      | -               | -                   | -                  | 1,964                 |  | 1,333     | -                  | 1,333                 |  |

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

(Registration number 003218490)  
Financial Statements for the year ended 31 March 2017

## Detailed Income Statement

|   | 2017       |              | 2017      |   | 2017         |         | 2016       |              | 2016       |             |
|---|------------|--------------|-----------|---|--------------|---------|------------|--------------|------------|-------------|
|   | R          | R            | R         | R | R            | R       | R          | R            | R          | R           |
| <b>Operational Expenditure</b>                |            |              |           |   |              |         |            |              |            |             |
| Accounting fees                               | -          | (19,942)     | 24,815    | - | 4,973        | -       | -          | (129,359)    | -          | (129,359)   |
| Advocacy and mainstreaming program costs      | -          | -            | -         | - | -            | -       | -          | (12,500)     | -          | (12,500)    |
| Auditors remuneration                         | -          | (34,500)     | 24,000    | - | (10,500)     | -       | -          | (63,300)     | -          | (63,300)    |
| Bank charges                                  | -          | (581)        | -         | - | (581)        | -       | -          | -            | -          | -           |
| Board meeting expenses                        | -          | (21,000)     | 21,000    | - | -            | -       | -          | (18,795)     | -          | (18,795)    |
| Computer expenses                             | -          | (9,536)      | 9,536     | - | -            | -       | -          | (945)        | -          | (945)       |
| Conference attendance                         | -          | (16,756)     | 46,460    | - | 29,704       | -       | -          | (48,700)     | -          | (48,700)    |
| Depreciation                                  | -          | -            | -         | - | -            | -       | -          | (4,400)      | -          | (4,400)     |
| Gifts and flowers                             | -          | (200,301)    | -         | - | (200,301)    | -       | -          | (80,183)     | -          | (80,183)    |
| Insurance                                     | -          | (8,425)      | -         | - | (8,425)      | -       | -          | (24)         | -          | (24)        |
| Lease rentals on operating lease              | -          | (73,511)     | 63,339    | - | (10,183)     | -       | -          | (93,607)     | -          | (93,607)    |
| Legal fees                                    | -          | (482,600)    | 470,119   | - | (12,601)     | -       | -          | (457,900)    | -          | (457,900)   |
| Marketing and promotions                      | -          | (24,000)     | -         | - | (24,000)     | -       | -          | -            | -          | -           |
| Municipal charges                             | -          | (48,603)     | 348,000   | - | 2,931        | -       | -          | (306,331)    | -          | (306,331)   |
| Networking expenses                           | -          | (32,306)     | 32,306    | - | -            | -       | -          | (34,647)     | -          | (34,647)    |
| Office expenses                               | -          | (83,471)     | 83,471    | - | -            | -       | -          | (3,650)      | -          | (3,650)     |
| Postages and courier                          | -          | (1,514)      | 1,514     | - | -            | -       | -          | (1,158)      | -          | (1,158)     |
| Printing and stationery                       | -          | (26,808)     | 35,203    | - | 8,395        | -       | -          | (22,351)     | -          | (22,351)    |
| Refreshments and entertainment                | -          | (35,130)     | 35,130    | - | -            | -       | -          | (24,681)     | -          | (24,681)    |
| Repairs and maintenance                       | -          | (35,617)     | 35,617    | - | -            | -       | -          | (14,150)     | -          | (14,150)    |
| Research and development costs                | -          | (15,595)     | -         | - | (15,595)     | -       | -          | (2,000)      | -          | (2,000)     |
| Safety and security                           | -          | (15,251)     | 15,251    | - | -            | -       | -          | (15,338)     | -          | (15,338)    |
| Salaries and wages                            | -          | (60,453,942) | 6,080,708 | - | (373,234)    | -       | -          | (4,572,367)  | -          | (4,572,367) |
| Telephone, fax and internet                   | -          | (140,150)    | 151,001   | - | 10,851       | -       | -          | (122,348)    | -          | (122,348)   |
| Travel and accommodation                      | -          | (92,003)     | 41,461    | - | (50,511)     | -       | -          | (40,402)     | -          | (40,402)    |
| Website expenses                              | -          | (14,776)     | 7,232     | - | (7,544)      | -       | -          | (599)        | -          | (599)       |
|   | 11,763,638 | (11,498,900) | -         | - | (11,498,900) | 264,657 | 10,266,879 | (15,038,077) | 14,772,180 | 5,138,447   |
| Overheads allocated (Prior year)              | -          | -            | -         | - | -            | -       | -          | 5,138,447    | -          | 5,138,447   |
| Penalties and interest on statutory arrears   | -          | (8,150)      | -         | - | (8,150)      | (8,150) | -          | (25,648)     | -          | (25,648)    |
| <b>OPERATING SURPLUS BEFORE FINANCE COSTS</b> | 11,763,638 | (11,507,130) | -         | - | (11,507,130) | 256,504 | 10,266,879 | (9,325,278)  | 340,601    | 340,601     |
| Finance costs                                 | -          | (160)        | -         | - | (160)        | (160)   | -          | (793)        | -          | (793)       |
| <b>OPERATING SURPLUS FOR THE YEAR</b>         | 11,763,638 | (1,508,907)  | -         | - | (1,508,907)  | 256,344 | 10,266,879 | (9,326,071)  | 339,808    | 339,808     |



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