



**International AIDS Society, Geneva**

**Report of the Auditor  
to the Governing Council  
on the Consolidated Financial Statements**

Consolidated Financial Statements 31 December 2016



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## Report of the Auditor to the Governing Council on the Consolidated Financial Statements of **International AIDS Society, Geneva**

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As auditor, we have been engaged to audit the accompanying consolidated financial statements of International AIDS Society, which comprise the consolidated balance sheet, consolidated income and expenditure account and notes for the year ended 31 December 2016.

### *Governing Council's Responsibility*

The Governing Council is responsible for the preparation of the consolidated financial statements in accordance with the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Governing Council is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



*International AIDS Society, Geneva  
Report of the Auditor  
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*Opinion*

In our opinion, the consolidated financial statements for the year ended 31 December 2016 comply with Swiss law, the association's bylaws and are in accordance with the accounting policies described in note 2 of these consolidated financial statements.

KPMG SA

Pierre-Henri Pingeon  
*Licensed Audit Expert  
Auditor in Charge*

Cédric Rigoli  
*Licensed Audit Expert*

Geneva, 2 June 2017

*Enclosure:*

Consolidated financial statements (consolidated balance sheet, consolidated income and expenditure account and notes)

# International AIDS Society - Geneva

## Consolidated Financial Report 2016

### Consolidated Balance Sheet as at December 31

(figures are stated in US\$)

	Notes	2016	2015
<b>CURRENT ASSETS</b>			
Cash & Cash Equivalents	3	16,146,861	10,558,804
Cash - Leadership		54,135	54,135
Accounts Receivable	4	323,239	269,215
Prepaid Expenses	5	1,532	-
		<b>16,525,767</b>	<b>10,882,154</b>
<b>NON-CURRENT ASSETS</b>			
Equipment		20,890	17,298
<b>TOTAL ASSETS</b>		<b>16,546,657</b>	<b>10,899,452</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	6	851,220	325,977
Fund ANRS		20,736	26,736
Accrued Expenses	7	798,846	506,994
Deferred Income	8	836,295	682,584
<b>NON-CURRENT LIABILITIES</b>			
Provision	9	24,500	25,250
<b>Total Liabilities</b>		<b>2,531,596</b>	<b>1,567,541</b>
<b>FUNDS &amp; RESERVES</b>			
<b>Restricted Funds</b>			
Leadership Fund	10	54,135	54,135
Scholarship Reserve		675,961	610,861
TB		28,958	-
HCV		8,646	-
Educational Grant		150,580	-
Road to Durban		-	273,908
CIPHER		2,095,027	1,277,727
HIV CURE		145,593	95,774
Differentiated Models		839,049	1,130,202
Youth Voices		39,049	148,000
ATC		11,601	-
IAC Revolving Fund	11	4,393,536	3,393,536
General Reserve for AIDS2016 Follow up & AIDS2018	12	680,000	-
		<b>9,122,134</b>	<b>6,984,143</b>
<b>Designated Funds</b>			
AIDS 2016	13	-	-1,550,240
IAS 2017		-315,701	-105,315
AIDS 2018		89,271	-10,357
IAS Conference Revolving Fund	14	1,031,086	1,031,086
ILF & JIAS reserve		479,563	140,778
		<b>1,284,219</b>	<b>-494,048</b>
<b>Unrestricted Funds</b>			
IAS Conference Institutional Memory & Admin RF	15	1,602,793	1,602,793
Conferences Surplus	16	1,012,386	648,249
General IAS Reserve	17	993,527	590,773
		<b>3,608,706</b>	<b>2,841,815</b>
<b>Total Funds &amp; Reserves</b>		<b>14,015,059</b>	<b>9,331,911</b>
<b>TOTAL LIABILITIES, FUNDS &amp; RESERVES</b>		<b>16,546,657</b>	<b>10,899,452</b>

# International AIDS Society - Geneva

## Consolidated Financial Report 2016

Consolidated Income and Expenditure Account for the year ended December 31

UNRESTRICTED & DESIGNATED FUNDS

(figures are stated in US\$)

Notes	IAS	ILF	JIAS	Total IAS 2016	IAS Conference Revolving Fund	IAS Conference Institutional Memory Revolv. Fund	2014-2015 Conference Surplus	2 016 Conference Surplus	Total Funds	Total Funds
									2016	2015
<b>FUND BALANCE AT JANUARY 1</b>	<b>590,773</b>	<b>-</b>	<b>140,778</b>	<b>731,552</b>	<b>1,031,086</b>	<b>1,602,793</b>	<b>648,249</b>	<b>-</b>	<b>4,013,679</b>	<b>3,238,628</b>
<b>Revenues</b>										
Conference Income				-					-	-
Membership Dues	288,038			<b>288,038</b>					<b>288,038</b>	330,060
Sponsors		362,500		<b>362,500</b>					<b>362,500</b>	334,776
Donors	29,718			<b>29,718</b>					<b>29,718</b>	-
Others	9,039		425,294	<b>434,333</b>					<b>434,333</b>	265,426
<b>TOTAL REVENUES</b>	<b>326,795</b>	<b>362,500</b>	<b>425,294</b>	<b>1,114,589</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,114,589</b>	<b>930,262</b>
<b>Expenses</b>										
IAS Staff Salaries & Benefits	398,665	112,050	174,993	<b>685,708</b>					<b>685,708</b>	546,680
Legal fees	5,254		198	<b>5,452</b>					<b>5,452</b>	7,138
Consulting & Audit fees	108,663	10,466	70,950	<b>190,079</b>					<b>190,079</b>	404,799
Office Expenses	93,919	112	851	<b>94,882</b>					<b>94,882</b>	40,137
Travel Expenses	74,958	8,167	4,910	<b>88,035</b>					<b>88,035</b>	80,814
Governance Retreat & Expenditure	82,709			<b>82,709</b>					<b>82,709</b>	52,641
Direct Expenses	3,283	11,936	2,444	<b>17,663</b>					<b>17,663</b>	21,536
Other Expenses	-			<b>-</b>					<b>-</b>	5,627
Prizes / Subgrant / Outreach	-			<b>-</b>					<b>-</b>	-
Amortization of Capital Expenses	2,984			<b>2,984</b>					<b>2,984</b>	2,495
Indirect Costs	-456,838	21,410	30,522	<b>-404,906</b>					<b>-404,906</b>	-
<b>TOTAL EXPENSES</b>	<b>313,598</b>	<b>164,141</b>	<b>284,868</b>	<b>762,607</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>762,607</b>	<b>1,161,867</b>
Financial income	23,946			<b>23,946</b>					<b>23,946</b>	12,065
Financial expenses	-22,433			<b>-22,433</b>					<b>-22,433</b>	-21,171
Extraordinary, non-recurring or prior period income	41,570			<b>41,570</b>					<b>41,570</b>	89,468
Extraordinary, non-recurring or prior period expenses	-			<b>-</b>					<b>-</b>	-
<b>GROSS SURPLUS (-DEFICIT)</b>	<b>56,279</b>	<b>198,359</b>	<b>140,426</b>	<b>395,064</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>395,064</b>	<b>-151,244</b>
Transfer to Unrestricted Funds	-3,342			<b>-3,342</b>					<b>-3,342</b>	-575
- IAS Conference Revolving Fund				<b>-</b>					<b>-</b>	330,000
- IAC Revolving Fund				<b>-</b>					<b>-</b>	-
- IAS Institutional Memory Revolving Fund				<b>-</b>					<b>-</b>	-
- AIDS 2018 Reserve				<b>-</b>					<b>-</b>	-
- AIDS2016 follow up Reserve				<b>-</b>					<b>-</b>	-
- Conference Surplus	349,815			<b>349,815</b>			-349,815	713,952	<b>713,952</b>	596,868
Result after Transfers	402,752	198,359	140,426	<b>741,537</b>	<b>-</b>	<b>-</b>	<b>-349,815</b>	<b>713,952</b>	<b>1,105,674</b>	<b>775,049</b>
<b>FUND BALANCE AT DECEMBER 31</b>	<b>993,527</b>	<b>198,359</b>	<b>281,204</b>	<b>1,473,091</b>	<b>1,031,086</b>	<b>1,602,793</b>	<b>298,434</b>	<b>713,952</b>	<b>5,119,356</b>	<b>4,013,679</b>

**International AIDS Society - Geneva  
Consolidated Financial Report 2016**

**Consolidated Income and Expenditure Account for the year ended December 31**

(Figures are stated in US\$)

**RESTRICTED FUNDS**

Notes	CONFERENCE							IAC Revolv. Fund	AIDS2016 & AIDS2016 follow up reserves	SUBTOTAL	
	Leadership	Scholarship	AIDS2016	TB	HCV	IAS2017	AIDS2018			2,016	2,015
<b>FUND BALANCE AT JANUARY 1</b>	54,135	610,861	-1,550,240	-	-	-105,315	-10,357	3,393,536	-	2,392,621	3,694,601
<b>Revenues</b>											
Conferences Income			9,436,492			74,568				9,511,061	4,105,817
Membership Dues											
Sponsors			1,973,463		100,000	10,000				2,083,463	1,274,080
Donors			4,555,337	309,297	2,750		212,000			5,079,384	2,729,653
Others		65,100	462,133							527,233	130,448
<b>TOTAL REVENUES</b>		65,100	16,427,404	309,297	102,750	84,568	212,000	-		17,201,119	8,279,999
<b>Expenses</b>											
IAS Staff Salaries & Benefits			3,896,879		22,025	148,582	11,716			4,079,202	3,878,844
Legal fees			46,574			11,235	168			57,977	12,331
Consulting & Audit fees			3,218,802	163,162	562	31,823	20,976			3,435,324	1,865,239
Office Expenses			601,240			37,608	55			638,903	610,179
Travel Expenses			1,851,099	42,784	17,021	21,880	18,422			1,951,202	791,731
Governance			81,314			4,572	7,066			92,952	59,765
Direct Expenses			2,282,911	74,394	41,496	36,462	109			2,435,372	744,599
Other Expenses			130,759							130,759	40,458
Prizes / Subgrant / Outreach			191,800				53,839			245,639	463,751
Amortization of Capital Expenses			10,309			1,477				11,786	10,792
Indirect Cost					13,000					13,000	
<b>TOTAL EXPENSES</b>			12,311,686	280,339	94,104	293,640	112,352			13,092,120	8,477,688
Financial income						43,489				43,489	50,484
Financial expenses						-215,015				-216,350	-227,909
Extraordinary, non-recurring or prior period income							-1,314	-21			
Extraordinary, non-recurring or prior period expenses											
<b>GROSS SURPLUS (-DEFICIT)</b>		65,100	3,944,192	28,958	8,646	-210,386	99,627			3,936,138	-375,112
Transfer to Unrestricted Funds											
- IAS Conference Revolving Fund								1,000,000			
- IAC Revolving Fund			-1,000,000								
- IAS Institutional Memory Revolving Fund											
- AIDS 2018 Reserve			-430,000						430,000		
- AIDS2016 follow up Reserve			-250,000						250,000		
- Conference Surplus			-713,952						-713,952	-596,868	
Result after Transfers		65,100	1,550,240	28,958	8,646	-210,386	99,627	1,000,000	680,000	3,222,186	-1,201,980
<b>FUND BALANCE AT DECEMBER 31</b>	54,135	675,961	-	28,958	8,646	-315,701	89,271	4,393,536	680,000	5,614,806	2,392,621

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**Consolidated Income and Expenditure Account for the year ended December 31**

(Figures are stated in US\$)

**RESTRICTED FUNDS**

Notes	HIV Programmes										SUBTOTAL	
	Educational Fund	Ukraine Consultation	Road to Durban	CIPIER	HIV Cure	Differentiated Models	Youth Voices	ATC	HIV CSS	Me & My HP	2,016	2,015
<b>FUND BALANCE AT JANUARY 1</b>	-	-	273,908	1,277,727	95,774	1,130,202	148,000	-	-	-	2,925,611	862,704
<b>Revenues</b>												
Conferences Income												26,188
Membership Dues												
Sponsors	1,057,363			2,425,515	118,800		199,827	115,633			3,917,138	309,555
Donors		49,987		24,000	355,639	563,468	19,749	77,882	97,500		1,188,225	3,631,987
Others												
<b>TOTAL REVENUES</b>	1,057,363	49,987	-	2,449,515	474,439	563,468	219,576	115,633	77,882	97,500	5,105,363	3,967,730
<b>Expenses</b>												
IAS Staff Salaries & Benefits	120,881	20,928	57,972	448,502	127,282	185,942	195,493	9,441	8,665	30,982	1,206,087	522,599
Legal fees				711							311	52
Consulting & Audit fees	24,667	2,019	168,694	99,700	67,058	369,393	57,451	43,584	791	8,476	841,832	279,793
Office Expenses	5,533	1,502	-	840	265	5,871	-	1,171	-	-	15,181	49,961
Travel Expenses	491,418	17,008	42,543	62,098	109,887	112,463	25,854	25,428	2,599	18,336	907,634	246,427
Governance					4,674	-	-	-	3,795	-	10,365	11,785
Direct Expenses	199,986	6,635	4,700	35,580	84,033	34,309	15,698	10,839	7,500	34,125	433,404	156,835
Other Expenses												1,392
Prizes / Subgrant / Outreach				850,258		48,444			47,287		945,989	633,572
Amortization of Capital Expenses												2,568
Indirect Cost	64,164			134,527	31,422	98,026	31,031	13,969	10,926	5,971	301,006	
<b>TOTAL EXPENSES</b>	906,648	49,987	273,908	1,632,215	424,620	854,448	328,527	104,032	81,234	97,490	4,753,110	1,904,944
Financial income												
Financial expenses	-135	-				-173					-308	-454
Extraordinary, non-recurring or prior period income												
Extraordinary, non-recurring or prior period expenses												
<b>GROSS SURPLUS (-DEFICIT)</b>	150,580	-	-273,908	817,300	49,819	-291,153	-108,952	11,601	-3,352	10	351,945	2,062,332
Transfer to Unrestricted Funds									3,352	-10	3,342	575
- IAS Conference Revolving Fund												
- IAC Revolving Fund												
- IAS Institutional Memory Revolving Fund												
- AIDS 2018 Reserve												
- AIDS2016 follow up Reserve												
- Conference Surplus												
Result after Transfers	150,580	-	-273,908	817,300	49,819	-291,153	-108,952	11,601	-	-	355,287	2,062,907
<b>FUND BALANCE AT DECEMBER 31</b>	150,580	-	-	2,095,027	145,593	839,049	39,049	11,601	-	-	3,280,898	2,925,611

# International AIDS Society - Geneva

## Consolidated Financial Report 2016

### Consolidated Income and Expenditure Account for the year ended December 31

(figures are stated in US\$)

	Notes	UNRESTRICTED		RESTRICTED		TOTAL	
		2016	2015	2016	2015	2016	2015
<b>FUND BALANCE AT JANUARY 1</b>		<b>4,013,679</b>	<b>3,238,628</b>	<b>5,318,232</b>	<b>4,557,305</b>	<b>9,331,911</b>	<b>7,795,933</b>
<b>Revenues</b>							
Conferences Income		-	-	9,511,061	4,132,005	9,511,061	4,132,005
Membership dues		288,038	330,060	-	-	288,038	330,060
Sponsors		362,500	334,776	6,000,601	1,583,635	6,363,101	1,918,411
Donors		29,718	-	6,267,609	6,361,640	6,297,327	6,361,640
Others		434,333	265,426	527,211	170,449	961,544	435,875
<b>TOTAL REVENUES</b>		<b>1,114,589</b>	<b>930,262</b>	<b>22,306,482</b>	<b>12,247,729</b>	<b>23,421,070</b>	<b>13,177,990</b>
<b>Expenses</b>							
IAS Staff Salaries & Benefits		685,708	546,680	5,285,289	4,401,403	5,970,997	4,948,082
Legal fees		5,452	7,138	58,688	12,383	64,140	19,521
Consulting & Audit fees		190,079	404,799	4,277,156	2,145,032	4,467,235	2,549,830
Office Expenses		94,882	40,137	654,084	660,139	748,966	700,276
Travel Expenses		88,035	80,814	2,858,840	1,038,158	2,946,876	1,118,972
Governance Retreat, Strategic and Expenditure		82,709	52,641	103,317	71,551	186,027	124,192
Direct Expenses	20	17,663	21,536	2,868,776	901,432	2,886,439	922,968
Other Expenses		-	5,627	130,759	41,850	130,759	47,477
Subgrant		-	-	1,191,629	1,097,323	1,191,629	1,097,323
Amortization of Capital Expenses		2,984	2,495	11,786	13,360	14,769	15,856
Indirect Costs		-404,906	-	404,906	-	-	-
<b>TOTAL EXPENSES</b>		<b>762,607</b>	<b>1,161,867</b>	<b>17,845,230</b>	<b>10,382,630</b>	<b>18,607,838</b>	<b>11,544,497</b>
Financial income		23,946	12,065	43,489	50,484	67,435	62,549
Financial expenses		-22,433	-21,171	-216,658	-228,363	-239,092	-249,535
Extraordinary, non-recurring or prior period income	19	41,570	89,468	-	-	41,570	89,468
Extraordinary, non-recurring or prior period expenses		-	-	-	-	-	-
<b>GROSS SURPLUS (-DEFICIT)</b>		<b>395,064</b>	<b>-151,244</b>	<b>4,288,082</b>	<b>1,687,220</b>	<b>4,683,146</b>	<b>1,535,976</b>
Transfer to Unrestricted Funds		-3,342	-575	3,342	575	-	-
- IAS Conference Revolving Fund		-	330,000	-	-330,000	-	-
- IAC Revolving Fund		-	-	-	-	-	-
- IAS Institutional Memory Revolving Fund		-	-	-	-	-	-
- AIDS 2018 Reserve		-	-	-	-	-	-
- AIDS2016 follow up Reserve		-	-	-	-	-	-
- Conference Surplus		713,952	596,868	-713,952	-596,868	-	-
<b>Result after Transfers</b>		<b>1,105,674</b>	<b>775,049</b>	<b>3,577,471</b>	<b>760,927</b>	<b>4,683,145</b>	<b>1,535,976</b>
<b>FUND BALANCE AT DECEMBER 31</b>		<b>5,119,356</b>	<b>4,013,679</b>	<b>8,895,703</b>	<b>5,318,232</b>	<b>14,015,059</b>	<b>9,331,911</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 31 December 2016

**A. PRINCIPLES****1 Organisation**

International AIDS Society (the Society) was founded in 1988 and transferred from Stockholm, Sweden to Geneva, Switzerland in June 2004, in the form of an association.

With its headquarters in Geneva, and fifty two staff members (2015: forty two), the Society is recognized under Swiss law as an international, non-governmental, non-profit organization. The Society is exempt from Swiss corporate taxation.

These statements include all transactions of the IAS local entities formed in connection with IAC Conferences.

**2 Accounting Policies**

The significant accounting policies are set out below:

a) *Basis of Preparation and Statement of Compliance*

The financial statements of the Society have been prepared on a basis consistent with its statutes and that complies with the accounting regulations of the Society and the provisions of the new Swiss Law regarding accounting and financial reporting.

The Society's accounting policies and the format used for the presentation of its financial statements are designed to present accurately the conferences, programmes, and other activities of the Society.

The financial statements are presented in US Dollars (rounded to the nearest dollar), as the majority of the Society's activities is conducted in this currency.

b) *Recognition of Income**Current Conference & final year HIV Programmes*

Conference income, project management fees, donors, sponsors and other restricted income are recognized when paid and when revenues are realizable.

*Future Conferences & ongoing HIV Programmes*

Conference income, project management fees, donors, sponsors and other restricted income are recognized when paid.

*Core*

Unrestricted revenue from donors is recognized over the contract period.

Membership income, sponsorship fees from ILF and other income from JIAS are recognized in the period to which it relates.

Membership income, sponsorship fees from ILF and other income from JIAS for future periods, which are received in advance, are deferred in the balance sheet.

c) *Recognition of Expenditure*

Payments to third parties are recognized when the commitment to pay has been made before the end of the year and the payment relates to the current year, and when there is either a legal or a constructive obligation to pay.

d) *Foreign Currency*

Transactions in currencies other than US Dollars are converted into US Dollars at rates that approximate the actual rates at the transaction date. Realized and unrealized exchange differences are reported in the income and expenditure account.

e) *Equipment*

Purchases of equipment are capitalized and then depreciated on a straight-line basis over 3 years.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 31 December 2016

**B. INFORMATION ON BALANCE SHEET AND INCOME AND EXPENDITURE ACCOUNT ITEMS**



	2016	2015
<b>3 Cash and Cash equivalents</b>	<b>US\$ 16,146,861</b>	<b>10,558,804</b>
Petty Cash	US\$ 7,434	9,949
Bank accounts - current accounts	US\$ 12,032,771	6,442,313
deposits	US\$ 4,106,656	4,106,541
<b>4 Accounts Receivable</b>	<b>US\$ 323,239</b>	<b>269,215</b>
Conference: Various Sponsors & Donors	US\$ 219,709	192,721
Programmes: Various Sponsors & Donors	US\$ 64,669	66,134
Swiss VAT	US\$ 18,145	6,164
Withholding tax	US\$ 2,010	1,970
Other	US\$ 18,706	2,226
<b>5 Prepaid Expenses</b>	<b>US\$ 1,532</b>	<b>-</b>
Other Prepaid	US\$ 1,532	-
<b>6 Accounts Payable</b>	<b>US\$ 851,220</b>	<b>325,977</b>
Payable - Durban	US\$ 661,669	-
Payable - Vancouver	US\$ 6,000	112,558
Payable - KL	US\$ 5,000	5,000
Other various payable	US\$ 178,551	208,419
<b>7 Accrued Expenses</b>	<b>US\$ 798,846</b>	<b>506,994</b>
CH VAT	US\$ 71,173	28,987
SA VAT	US\$ 108,310	4,754
FR VAT	US\$ 2,070	-
Social Expenses	US\$ 405,245	299,047
Accrued Conferences expenses	US\$ 162,659	152,925
Other accrued expenses	US\$ 49,389	21,281
<b>8 Deferred Income</b>	<b>US\$ 836,295</b>	<b>682,584</b>
Membership income		
- Current	US\$ 381,545	270,258
- Non-Current	US\$ 289,510	238,590
Open Society Institute	US\$ -	49,987
ILF - Sponsors 2017	US\$ 110,000	80,000
JIAS - 2017	US\$ 55,240	43,750
<b>9 Provision</b>	<b>US\$ 24,500</b>	<b>25,250</b>
Provision for office restoration at end of lease term		

#### International AIDS Society - Geneva

#### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2016

2016 2015

#### 10 Restricted Funds

All figures are in relation to funds received and reserved, whose use is restricted for specific programmes or projects.

#### 11 IAC Revolving Fund

**US\$ 4,393,536 3,393,536**

In accordance with the distribution policy regarding surplus/deficit at the IAC Conference, the IAS Governing Council has decided to set aside funds for future costs in the event of a cancelled or postponed conference or one with a reduced number of paid registrations.

AIDS2016 result could afford an allocation to the Revolving Fund of US\$ 1,000,000

#### 12 General Reserve for AIDS2016 Follow up and AIDS 2018

**US\$ 680,000 -**

As approved by the EC in December 2016 and March 2017, the surplus generated from AIDS2016 conference will be allocated as follows

AIDS2018 Support to Global Village	US\$	250,000
AIDS2018 Support to reduce lower fee level for I&mi countries	US\$	180,000
AIDS2016 follow up by IAS in 2017	US\$	250,000

### 13 Designated Funds

Reserves of money with the designation that it will be used for specific programmes or project. Concerning future Conferences, the negative amounts of US\$ 315,554 (IAS2017) reflects expenditures that have yet to be covered by the income from the future conference.

### 14 IAS Conference Revolving Fund US\$ 1,031,086 1,031,086

In accordance with the distribution policy regarding surplus/deficit at the IAS Conference, the IAS Governing Council has decided to set aside funds for future costs in the event of a cancelled or postponed conference or one with a reduced number of paid registrations.

IAS2015 Conference Surplus	US\$	-	330,000
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### 15 IAS Conference Institut'I Memory and Administration Revolving Fund US\$ 1,602,793 1,602,793

In June 2013, the IAS Governing Council has decided to create a third fund to support the Secretariat that will jointly serve the two conferences in the event of a cancelled or postponed conference or one with a reduced number of paid registrations.

Membership Strategy & Rebranding	US\$	-	(241,602)
AIDS2016 Surplus	US\$	-	

### 16 Conferences Surplus US\$ 1,012,386 648,249

The 2014 Conference Surplus to support the Core expenses	US\$	(51,381)	(51,381)
The 2015 Conference Surplus to support the Core expenses	US\$	(298,434)	596,868
The AIDS 2016 Conference surplus to support the Core expenses	US\$	133,952	
The AIDS 2016 Conference surplus to support the implementation of a CRM and the development of a new scholarship system	US\$	380,000	
The AIDS 2016 Conference surplus to support ICT Roadmap	US\$	50,000	
The AIDS 2016 Conference surplus to follow up on ICT Security Audit	US\$	150,000	

### 17 General Reserve US\$ 993,527 590,773

IAS Core activities Surplus / (Deficit )	US\$	56,279	-293,559
ILF Reserve transfer	US\$	-	136,495
AIDS2014 & IAS2015 Surplus	US\$	349,815	51,382
Transfer from IM&A RF	US\$	-	241,602
HIV Programmes deficit	US\$	(3,342)	

### 18 Other unrestricted revenues US\$ 434,333 265,426

Other	US\$	9,039	22,809
JIAS Income	US\$	425,294	242,617

## International AIDS Society - Geneva

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2016

### 19 Extraordinary, non-recurring or prior period income US\$ 41,570 89,468

Late payment from donor in connection with 2014 Core activity	US\$		4,855
Late payment from AIDS2014 Donors / Exhibitors	US\$		63,338
Reimbursement of HST (Vancouver)	US\$	16,508	-
Dissolution of previous year reserves	US\$	20,760	17,332
Other 2015 income	US\$	956	3,943

### 20 Direct expenses US\$ 2,886,439 922,968

Delegate transportations (Durban)	US\$	740,653	-
Logistics, Exhibition (rental of venues, signage, build up, AV...)	US\$	443,140	442,089
Scholarships (registrations & per diem)	US\$	712,600	82,920
Local office expenses (Durban staff, office costs...)	US\$	255,290	129,967

Programme & Programme activities (meeting costs, GV coordination)	US\$	183,809	50,160
Conference secretariat (Incl. I/T)	US\$	13,297	24,995
Communications & Fundraising	US\$	36,788	3,767
Insurances, start up and other financial costs	US\$	117,675	189,071
Symposium, meetings & Preconferences costs	US\$	383,188	-

### C. OTHER INFORMATION

<b>21 Credit Agreement</b>	<b>US\$</b>	<b>108,903</b>	<b>112,236</b>
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CHF 111,125 is under the guarantee of UBS AG represents a deposit surety for the office rental blocked for the Fondation Des Immeubles pour les Organisations Internationales (FIPOI)

<b>22 Residual amount of lease obligations</b>	<b>US\$</b>	<b>2,718,940</b>	<b>655,151</b>
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The maturity of rental obligations of IAS Geneva offices which have a residual maturity of more than 12 months or which can not be cancelled within the next 12 months is as follows

Up to 1 year	US\$	504,320	542,194
Between 1-5 years	US\$	2,104,986	112,957
More than 5 years	US\$	109,635	-

<b>23 Pensions scheme liabilities</b>	<b>US\$</b>	<b>177,732</b>	<b>176,717</b>
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These pension schemes liabilities are included in the balance sheet position under "Accrued Expenses"

<b>24 Full-time equivalents</b>	<b>FTE</b>	<b>52</b>	<b>42</b>
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The annual average number of full time equivalents for the reporting year exceeds 50 while previous year average did not exceed 50

### **25 Significants events after the balance sheet date**

No events occurred subsequent to 31 December 2016 which could have a material impact on the understanding of these financial statements.



**21st International AIDS Conference,  
(AIDS 2016)  
Durban 18 - 22 July 2016**

**Report of the Auditor  
to the Governing Council of the  
International AIDS Society on the  
Statement of Income and Expenditures**



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Report of the Auditor to the Governing Council of the International AIDS Society

**21st International AIDS Conference (AIDS 2016), Durban, South Africa, 18 - 22 July 2016**

As auditor, we have been engaged to audit the accompanying statement of income and expenditures of the 21st International AIDS Conference held in Durban, on 18 July - 22 July 2016, which comprise of the income statement and the explanatory notes.

*Governing Council's Responsibility*

The Governing Council is responsible for the preparation of the statement of income and expenditures in accordance with the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of statement of income and expenditures that are free from material misstatement, whether due to fraud or error. The Governing Council is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

*Auditor's Responsibility*

Our responsibility is to express an opinion on this statement of income and expenditures based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of income and expenditures. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement of income and expenditures, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the statement of income and expenditures 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 system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the statement of income and expenditures. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



*8th IAS Conference on HIV Pathogenesis, Treatment and Prevention,  
Durban, South Africa, 18 - 22 July 2016  
Report of the Auditor to the Governing Council of the  
International AIDS Society on the  
Statement of Income and Expenditures*

*Opinion*

In our opinion, the statement of income and expenditures in relation with the 21st International AIDS Conference held in Durban on 18 July - 22 July 2016, complies with Swiss law, the association's bylaws and is in accordance with the accounting policies described in note 2 to the financial statements of the International AIDS Society for the year ended 31 December 2016.

KPMG SA

Pierre Henri Pingeon  
*Licensed Audit Expert  
Auditor in Charge*

Cédric Rigoli  
*Licensed Audit Expert*

Geneva, 13 June 2017

*Enclosure:*

Statement of income and expenditures (income statement and explanatory notes)

**21st INTERNATIONAL AIDS CONFERENCE (AIDS 2016)**  
**18-22 July 2016, Durban, South Africa**

Final Statement of Income & Expenditures  
(Figures are stated in US\$)

Notes	Approved Budget	Actuals	
<b>Income</b>			
2	SPONSORS AND DONORS	7,848,000	8,033,404
	EXHIBITIONS & SATELLITES	3,377,759	3,498,528
3	REGISTRATION FEES	6,010,000	6,092,092
4	OTHER REVENUES	462,200	462,111
<b>TOTAL INCOME</b>		<b>17,697,959</b>	<b>18,086,135</b>
<b>Expenditures</b>			
5	LOGISTICS	3,210,219	2,934,622
	EXHIBITIONS & SATELLITES COSTS	491,029	493,829
6	SCHOLARSHIPS	1,909,108	1,900,320
	LOCAL SECRETARIAT	917,975	914,477
	PROGRAMME	1,196,815	1,198,546
	PROGRAMME ACTIVITIES	187,487	169,080
7	IAS CONFERENCE SECRETARIAT	2,483,420	2,490,446
	IT	809,974	814,400
	COMMUNICATIONS	954,043	857,487
	EVALUATION + QUALITY ASSESSMENT	395,000	399,392
	FUNDRAISING	665,000	690,433
9	GOVERNANCE	116,000	84,852
	AUDIT / FINANCE	590,500	630,529
10	VARIOUS FINANCIAL COSTS	1,074,184	1,047,743
11	START-UP COSTS	361,000	360,752
	AUDIO VISUAL	705,263	705,276
<b>TOTAL EXPENDITURES</b>		<b>16,067,017</b>	<b>15,692,184</b>
8	REVOLVING FUND	1,000,000	1,000,000
12	ALLOCATION TO AIDS2018	180,000	430,000
	ALLOCATION TO AIDS2016 FOLLOW UP	0	250,000
	ALLOCATION TO GR	380,000	580,000
<b>SubTotal Surplus / (Deficit)</b>		<b>70,942</b>	<b>133,951</b>

## 21st INTERNATIONAL AIDS CONFERENCE (AIDS 2016)

18-22 July 2016, Durban, South Africa

### Explanatory Notes to the Final Statement of Income and Expenditures

#### 1 Basis of preparation

The statement of income and expenditure was prepared in accordance with the accounting policies specified in the notes of the International AIDS Society in Geneva.

The statement of income is based on the actual information available as of 31 March, 2017

The "approved budget" figures in the left column reflects the last budget accepted by the IAS Governing Council on December 10, 2016

#### 2 Donors & Sponsors

Major donors & sponsors for AIDS2016 included:

##### Donors

amfAR – The Foundation for AIDS Research  
Capital for Good USA  
ELMA Philanthropies  
Elton John AIDS Foundation  
Foundation for Professional Development  
Global Affairs Canada  
l'Agence de recherche ANRS (France Recherche Nord & Sud Sida-HIV Hépatites)  
M.A.C AIDS Fund  
Public Health Agency of Canada  
South Africa – Human Sciences Research Council  
South Africa – Medical Research Council  
South Africa – National Department of Health  
South Africa – National Department of Science and Technology  
South Africa – National Department of Social Development  
South Africa – National Lotteries Commission  
South Africa – The Health and Welfare Sector Education and Training Authority  
South African National AIDS Council Trust  
The Bill & Melinda Gates Foundation  
The Ford Foundation  
The Foundation to Promote Open Society  
The Global Fund to Fight AIDS, Tuberculosis and Malaria  
The Joint UN Programme on HIV/AIDS (UNAIDS)  
The Kwazulu-Natal Provincial Government - Office of the Premier  
The Netherlands – Ministry of Foreign Affairs  
The OPEC Fund for International Development  
The Swedish International Development Cooperation Agency  
U.S. National Institute Of Allergy And Infectious Diseases  
U.S. National Institute On Drug Abuse  
U.S. National Institutes Of Health – Office Of The Director  
UNITAID  
United Nations Children's Fund (UNICEF)  
United Nations Development Programme (UNDP)  
World Health Organization (WHO)

##### Major Industry Sponsors

Gilead Sciences  
Janssen Pharmaceutica  
Merck Sharp & Dohme  
ViiV Healthcare UK

##### Corporate Sponsors

AbbVie  
Abt Associates  
Anglo American South Africa  
Aspen Pharmacare  
Bristol-Myers Squibb  
Chevron U.S.A.  
Discovery Health  
Harmony Gold Mining Company  
Hetero Labs  
Imperial Group  
Mylan

A full list can be obtained from the conference secretariat.

#### 3 Registration fees

The income from registration fees is based on the total number of paid registrations of 9,300 (AIDS2014, Melbourne: 7,140) less the voluntary delegate contributions mentioned hereunder

##### Paid Registration:

Fully paying registrations:

- High Income Countries delegates  
- UM, LM and Low Income Countries

Day passes

Students

Exhibitors

Accompanying Persons and Children

Total paid registrations:

##### Non-paid registrations:

Media

Free Registrations (including scholarship recipients, volunteers and staff)

Voluntary delegate contributions to:

- Memberships "IAS"  
- Co-organizers  
- Scholarships

##### AIDS2016

2,734	
<u>5,038</u>	7,772
	494
	747
	89
	<u>198</u>
	<b>9,300</b>
	775
	5,370
	346,276
	73,275
	65,100

##### AIDS2014

3,419	
<u>2,610</u>	6,029
	732
	74
	<u>305</u>
	<b>7,140</b>
	640
	4,267

#### 4 Other revenues



Other sources of revenue include hotel commission

<b>5 Logistics</b>	<b>AIDS2016</b>	<b>AIDS2014</b>
The main expenditures incurred for the Logistics are as follows:		
	<b>\$ 2,934,622</b>	<b>\$ 3,066,576</b>
Facilities (rent, signage, security, delegates transportation and set up of venue)	1,807,811	2,067,089
On Site and Logistic Personnel (staff, hostesses and volunteers)	646,161	581,570
Fees to PCO (Conference Consultancy, SA) for: <i>project management, registration and exhibition handling</i>	316,930	280,775
Printed material (Invitation, Final Prog., Abstract Book, etc)	41,495	40,138
Bags and Badges	66,425	32,003
Travel, logistic staff	28,227	34,610
Refreshment, technical, postage, etc	27,573	30,391
 <b>6 Scholarships</b>		
These figures include scholarships recipients and speakers as per the main details bringing 1,323 delegates and 61 speakers (AIDS2014: 460 scholarships and 118 speakers) to the conference mainly from developing countries:		
	<b>\$ 1,900,320</b>	<b>\$ 1,346,950</b>
Travel	1,024,309	731,304
Accommodation & per diem	266,025	248,819
Registration fees	481,966	261,023
Handling	128,020	105,804
 <b>7 IAS Conference Secretariat (Geneva)</b>		
	<b>\$ 2,490,446</b>	<b>\$ 3,343,833</b>
Staff	1,260,409	1,887,746
Office costs	748,025	987,897
Travel	431,436	437,965
Legal services	33,366	20,839
Consulting fees	17,210	9,386
 <b>8 Revolving Fund</b>		
	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>
In accordance with the distribution policy regarding surplus/deficit at the IAS Conference, the IAS Governing Council has decided to set aside funds for future costs in the event of a cancelled or postponed conference or one with a reduced number of paid registrations.		
 <b>9 Governance</b>		
This cost includes committee meetings and travel expenses for the elected committee members.		
 <b>10 Various Financial Costs</b>		
The various financial costs include:	<b>\$ 1,047,743</b>	<b>\$ 949,474</b>
Foreign exchange (Gain) / Loss	121,116	243,412
Bank & credit cards fees	104,924	142,769
Service importation / VAT interest	130,759	64,438
Insurances	82,184	127,620
Outreach / Partners	562,500	363,950
Charity Program	46,260	7,285
 <b>11 Start-up Costs</b>		
	<b>\$ 360,752</b>	<b>\$ 200,966</b>
These costs include all expenses associated with initial negotiations and pre-planning meetings with the local host and co-organizers, initial promotion and marketing expenses, and all travel and other expenses incurred until the official conference organizing committee meeting, where the first budget was accepted.		
 <b>12 General IAS Reserve for Future Conference and AIDS2016 follow up</b>		
	<b>\$ 1,260,000</b>	<b>\$ -</b>
As approved by the EC in March 2017, the surplus generated by the AIDS2016 Conference will be allocated as follows		
AIDS2018 Support to Global Village	\$ 250,000	
AIDS2018 Support to lower fee level for upper middle, lower middle and low income countries	\$ 180,000	
AIDS2016 Follow up activities by IAS in 2017	\$ 250,000	
2017/2018 investments in IT Roadmap, Security follow up, implementation of a CRM and development of a scholarship system	\$ 580,000	