



International AIDS Society, Geneva

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

Consolidated Financial Statements 31 December 2017



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

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 2017.

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.

Opinion

In our opinion, the consolidated financial statements for the year ended 31 December 2017 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.



Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the board of association.

We recommend that the financial statements submitted to you be approved.

KPMG SA

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

Cédric Rigoli
Licensed Audit Expert

Geneva, 15 June 2018

Enclosure:

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

International AIDS Society - Geneva

Consolidated Financial Report 2017

Consolidated Balance Sheet as at

December 31

(figures are stated in US\$)

	Notes	2017	2016
CURRENT ASSETS			
Cash & Cash Equivalents	3	13,927,788	16,146,861
Cash - Leadership		54,135	54,135
Accounts Receivable	4	1,243,014	323,239
Prepaid Expenses	5	19,850	1,532
		15,244,787	16,525,767
NON-CURRENT ASSETS			
Financial Assets		1,000,596	-
Equipment		44,614	20,890
TOTAL ASSETS		16,289,997	16,546,657
CURRENT LIABILITIES			
Accounts Payable	6	392,142	851,220
Accrued Expenses	7	661,817	798,846
Deferred Income	8	744,126	836,295
NON-CURRENT LIABILITIES			
Provision	9	25,500	24,500
Fund - Prize		20,736	20,736
Total Liabilities		1,844,321	2,531,596
FUNDS & RESERVES			
Restricted Funds			
Leadership Fund	10	54,135	54,135
Scholarship Reserve		675,961	675,961
TB & HCV		45,077	37,604
Educational Grant / EF Fellowship		394,571	150,580
The Lancet Commission		528,288	-
CIPHER		1,716,973	2,095,027
HIV CURE		71,817	145,593
Differentiated Care 1 & 2		870,443	839,049
Youth Voices		19,505	39,049
ATC		30,737	11,601
IAC Revolving Fund	11	4,393,536	4,393,536
General Reserve for AIDS2016 Follow up & AIDS2018	12	543,427	680,000
		9,344,469	9,122,134
Designated Funds			
IAS 2017	13	-	-315,701
AIDS 2018		-453,001	89,271
IAS 2019		-46,824	-
AIDS 2020		-7,453	-
IAS Conference Revolving Fund	14	1,516,325	1,031,086
ILF & JIAS reserve		483,616	479,563
		1,492,664	1,284,219
Unrestricted Funds			
IAS Conference Institutional Memory & Admin RF	15	1,602,793	1,602,793
Conferences Surplus	16	986,081	1,012,386
General IAS Reserve	17	1,019,668	993,527
		3,608,542	3,608,706
Total Funds & Reserves		14,445,675	14,015,059
TOTAL LIABILITIES, FUNDS & RESERVES		16,289,997	16,546,657

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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 2017	IAS Conference Revolving Fund	IAS Institutional Memory Revolv. Fund	2014-2016 Conference Surplus	Total Funds 2017	Total Funds 2016
FUND BALANCE AT JANUARY 1		993,527	198,359	281,204	1,473,091	1,031,086	1,602,793	1,012,386	5,119,356	4,013,679
Revenues										
Conference Income		-	-	-	-	-	-	-	-	-
Membership Dues		404,006	-	-	404,006	-	-	404,006	404,006	288,038
Sponsors		-	372,500	-	372,500	-	-	372,500	372,500	362,500
Donors		126,114	-	-	126,114	-	-	126,114	126,114	29,718
Others	18	41,354	-	363,732	405,086	-	-	405,086	405,086	434,333
TOTAL REVENUES		571,473	372,500	363,732	1,307,705	-	-	-	1,307,705	1,114,589
Expenses										
IAS Staff Salaries & Benefits		519,243	185,154	282,838	987,234	-	-	-	987,234	685,708
Legal fees		7,933	-	1,447	9,380	-	-	-	9,380	5,452
Consulting & Audit fees		319,565	64,618	89,827	474,009	-	-	-	474,009	190,079
Office Expenses		118,392	4,116	1,670	124,177	-	-	-	124,177	94,882
Travel Expenses		74,416	10,057	3,184	87,656	-	-	-	87,656	88,035
Governance Retreat & Expenditure		144,507	1,668	-	146,175	-	-	-	146,175	82,709
Direct Expenses		13,527	2,376	1,302	17,205	-	-	-	17,205	17,663
Other Expenses		-	-	-	-	-	-	-	-	-
Prizes / Subgrant / Outreach		-	2,000	-	2,000	-	-	-	2,000	-
Amortization of Capital Expenses		7,001	-	-	7,001	-	-	-	7,001	2,984
Indirect Costs		-529,918	40,498	41,407	-448,014	-	-	-	-448,014	-404,906
TOTAL EXPENSES		674,666	310,485	421,674	1,406,825	-	-	-	1,406,825	762,607
Financial income		47,540	-	-	47,540	-	-	-	47,540	23,946
Financial expenses		-47,084	-	-20	-47,104	-	-	-	-47,104	-22,433
Extraordinary, non-recurring or prior period income	19	32,259	-	-	32,259	-	-	-	32,259	41,570
Extraordinary, non-recurring or prior period expenses		-	-	-	-	-	-	-	-	-
GROSS SURPLUS (-DEFICIT)		-70,478	62,015	-57,962	-66,425	-	-	-	-66,425	395,064
Transfer to Unrestricted Funds		-	-	-	-	-	-	70,312	70,312	-3,342
- IAS Conference Revolving Fund		-	-	-	-	485,239	-	-	485,239	-
- IAC Revolving Fund		-	-	-	-	-	-	-	-	-
- IAS Institutional Memory Revolving Fund		-	-	-	-	-	-	-	-	-
- AIDS 2018 Reserve		-	-	-	-	-	-	-	-	-
- AIDS2016 follow up Reserve		-	-	-	-	-	-	-	-	-
- Conference Surplus	16	96,617	-	-	96,617	-	-	-96,617	-	713,952
Result after Transfers		26,139	62,015	-57,962	30,192	485,239	-	-26,305	489,126	1,105,674
FUND BALANCE AT DECEMBER 31	17	1,019,668	260,374	223,242	1,503,285	1,516,325	1,602,793	986,081	5,608,484	5,119,356

**International AIDS Society - Geneva
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Consolidated Income and Expenditure Account for the year ended December 31

RESTRICTED FUNDS

(figures are stated in US\$)

Notes	C O N F E R E N C E S							IAC Revolv. Fund	AIDS2018 & AIDS2016 follow up reserves	SUBTOTAL	
	Leadership	Scholarship	IAS2017	AIDS2018	IAS2019	AIDS2020	TB & HCV			2 017	2 016
FUND BALANCE AT JANUARY 1	54,135	675,961	-315,701	89,271	-	-	37,604	4,393,536	680,000	5,614,807	2,392,621
Revenues											
Conferences Income			4,767,296	223,869	-	-	24,030			5,015,196	9,511,061
Membership Dues			-	-	-	-	-			-	-
Sponsors			953,500	250,000	-	-	78,000			1,281,500	2,083,463
Donors			1,513,827	705,500	-	-	29,525			2,248,852	5,079,384
Others			148,471	-	-	-	23,200			171,671	527,211
TOTAL REVENUES	-	-	7,383,094	1,179,369	-	-	154,755	-		8,717,219	17,201,119
Expenses											
IAS Staff Salaries & Benefits			2,716,663	1,056,173	27,827	-	28,588			3,829,250	4,079,202
Legal fees			27,331	14,314	1,495	-	-			43,140	57,977
Consulting & Audit fees			1,818,063	87,314	1,769	-	42,100			1,949,246	3,435,324
Office Expenses			362,471	258,227	-	-	271			620,969	638,903
Travel Expenses			502,942	58,381	15,734	7,453	21,588			606,097	1,951,206
Governance			79,262	1,813	-	-	-			81,075	92,952
Direct Expenses			898,005	56,015	-	-	35,525			989,545	2,435,372
Other Expenses			61,925	-	-	-	-			61,925	130,759
Prizes / Subgrant / Outreach			10,600	185,114	-	-	-			195,714	245,639
Amortization of Capital Expenses			21,004	7,001	-	-	-			28,005	11,786
Indirect Cost			-	-	-	-	19,211			19,211	13,000
TOTAL EXPENSES	-	-	6,498,266	1,724,352	46,824	7,453	147,283	-		8,424,178	13,092,120
Financial income			6,735	10,156	-	-	-			16,891	43,489
Financial expenses			-90,624	-7,444	-	-	-			-98,068	-216,350
Extraordinary, non-recurring or prior period income										-	-
Extraordinary, non-recurring or prior period expenses										-	-
GROSS SURPLUS (-DEFICIT)	-	-	800,939	-542,271	-46,824	-7,453	7,473	-		211,863	3,936,138
Transfer to Unrestricted Funds										-	-
- IAS Conference Revolving Fund			-485,239							-485,239	-
- IAC Revolving Fund	11									-	-
- IAS Institutional Memory Revolving Fund										-	-
- AIDS 2018 Reserve	12									-	-
- AIDS2016 follow up Reserve	12								-136,573	-136,573	-
- Conference Surplus	16									-	-713,952
Result after Transfers			315,700	-542,271	-46,824	-7,453	7,473		-136,573	-409,949	3,222,186
FUND BALANCE AT DECEMBER 31	54,135	675,961	-	-453,001	-46,824	-7,453	45,077	4,393,536	543,427	5,204,858	5,614,806

**International AIDS Society - Geneva
Consolidated Financial Report 2017**

Consolidated Income and Expenditure Account for the year ended December 31

RESTRICTED FUNDS

(figures are stated in US\$)

	HIV PROGRAMMES										SUBTOTAL	
	Educational Fund	EF - Fellowship	The Lancet Commission	CIPHER	HIV Cure	DC 1	DC 2	Youth Voices	ATC	M&MHP	2 017	2 016
FUND BALANCE AT JANUARY 1	150,580	-	-	2,095,027	145,593	839,049	-	39,049	11,601	-	3,280,898	2,925,611
Revenues												
Conferences Income	-	-	-	-	-	-	-	-	-	-	-	-
Membership Dues	-	-	-	-	-	-	-	-	-	-	-	-
Sponsors	1 174 214	56 486	-	1,436,330	140,000	-	150,000	127,847	110,416	-	3,195,293	3,917,138
Donors	-	-	585,000	-	142,290	563,468	581,483	-	5,190	-	1,877,431	1,188,225
Others	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	1,174,214	56,486	585,000	1,436,330	282,290	563,468	731,483	127,847	115,606	-	5,072,725	5,105,363
Expenses												
IAS Staff Salaries & Benefits	158,817	28,749	46,155	463,404	116,896	143,824	93,793	77,567	-	-	1,129,205	1,206,087
Legal fees	-	-	-	1,267	-	-	-	-	-	-	1,267	711
Consulting & Audit fees	79,932	1,026	35,438	94,719	50,291	306,577	60,939	12,300	60,600	758	702,580	841,832
Office Expenses	1,226	-	-	94	459	4,507	489	-	-	55	6,828	15,181
Travel Expenses	452,656	-	18,689	118,348	94,667	135,320	17,613	19,387	21,240	6,541	884,461	907,634
Governance	12,503	-	9,764	-	1,850	11,048	-	-	-	-	35,166	10,365
Direct Expenses	156,729	-	11,892	50,888	16,795	42,058	-	6,000	2,046	661	287,069	433,404
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Prizes / Subgrant / Outreach	6,955	-	-	929,766	-	320,121	-	55,000	-	-	1,311,841	945,989
Amortization of Capital Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Indirect Cost	82,141	5,955	7,114	155,899	22,014	101,703	25,257	16,137	12,583	-	428,803	391,906
TOTAL EXPENSES	950,959	35,730	129,052	1,814,384	302,972	1,065,158	198,090	186,391	96,470	8,015	4,787,220	4,753,110
Financial income	-	-	-	-	-	-	-	-	-	-	-	-
Financial expenses	-20	-	-	-	-	-203	-107	-	-	-	-330	-308
Extraordinary, non-recurring or prior period income											-	-
Extraordinary, non-recurring or prior period expenses											-	-
GROSS SURPLUS (-DEFICIT)	223,234	20,756	455,948	-378,054	-20,682	-501,893	533,287	-58,544	19,136	-8,015	285,175	351,945
Transfer to Unrestricted Funds					-70,312						-70,312	3,342
- IAS Conference Revolving Fund											-	-
- IAC Revolving Fund											-	-
- IAS Institutional Memory Revolving Fund											-	-
- AIDS 2018 Reserve											-	-
- AIDS2016 follow up Reserve			72,340		17,218			39,000		8,015	136,573	-
- Conference Surplus											-	-
Result after Transfers	223,234	20,756	528,288	-378,054	-73,776	-501,893	533,287	-19,544	19,136	-	351,435	355,287
FUND BALANCE AT DECEMBER 31	373,814	20,756	528,288	1,716,973	71,817	337,156	533,287	19,505	30,737	-	3,632,333	3,280,898

International AIDS Society - Geneva

Consolidated Financial Report 2017

Consolidated Income and Expenditure Account for the year ended December 31

(figures are stated in US\$)

	UNRESTRICTED		RESTRICTED		TOTAL	
	2017	2016	2017	2016	2017	2016
<i>Notes</i>						
FUND BALANCE AT JANUARY 1	5,119,356	4,013,679	8,895,704	5,318,232	14,015,060	9,331,911
Revenues						
Conferences Income	-	-	5,015,196	9,511,061	5,015,196	9,511,061
Membership dues	404,006	288,038	-	-	404,006	288,038
Sponsors	372,500	362,500	4,476,793	6,000,601	4,849,293	6,363,101
Donors	126,114	29,718	4,126,283	6,267,609	4,252,397	6,297,327
Others	405,086	434,333	171,671	527,211	576,757	961,544
TOTAL REVENUES	1,307,705	1,114,589	13,789,943	22,306,482	15,097,649	23,421,070
Expenses						
IAS Staff Salaries & Benefits	987,234	685,708	4,958,455	5,285,289	5,945,689	5,970,997
Legal fees	9,380	5,452	44,407	58,688	53,787	64,140
Consulting & Audit fees	474,009	190,079	2,651,826	4,277,156	3,125,835	4,467,235
Office Expenses	124,177	94,882	627,797	654,083	751,974	748,965
Travel Expenses	87,656	88,035	1,490,558	2,858,840	1,578,215	2,946,875
Governance Retreat, Strategic and Expenditure	146,175	82,709	116,241	103,318	262,416	186,027
Direct Expenses	17,205	17,663	1,276,615	2,868,776	1,293,820	2,886,440
Other Expenses	-	-	61,925	130,759	61,925	130,759
Subgrant	2,000	-	1,507,555	1,191,628	1,509,555	1,191,628
Amortization of Capital Expenses	7,001	2,984	28,005	11,786	35,006	14,770
Indirect Costs	-448,014	-404,906	448,014	404,906	-	-
TOTAL EXPENSES	1,406,825	762,607	13,211,398	17,845,229	14,618,223	18,607,837
Financial income	47,540	23,946	16,891	43,489	64,430	67,435
Financial expenses	-47,104	-22,433	-98,398	-216,658	-145,502	-239,092
Extraordinary, non-recurring or prior period income	32,259	41,570	-	-	32,259	41,570
Extraordinary, non-recurring or prior period expenses	-	-	-	-	-	-
GROSS SURPLUS (-DEFICIT)	-66,425	395,064	497,038	4,288,083	430,613	4,683,146
Transfer to Unrestricted Funds	70,312	-3,342	-70,312	3,342	-	-
- IAS Conference Revolving Fund	485,239	-	-485,239	-	-	-
- IAC Revolving Fund	-	-	-	-	-	-
- IAS Institutional Memory Revolving Fund	-	-	-	-	-	-
- AIDS 2018 Reserve	-	-	-	-	-	-
- AIDS2016 follow up Reserve	-	-	-	-	-	-
- Conference Surplus	-	713,952	-	-713,952	-	-
Result after Transfers	489,126	1,105,674	-58,514	3,577,473	430,612	4,683,146
FUND BALANCE AT DECEMBER 31	5,608,484	5,119,356	8,837,191	8,895,704	14,445,675	14,015,060

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2017

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 (2016: fifty 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.

f) Financial Assets

First disclosure in 2017 at purchase value.

A provision for depreciation of the financial assets is set aside when their value as determined at the close becomes less than their book value.

g) Restricted and Designated Reserves

Restricted and designated reserves represent the excess of income over expenditures since IAS's inception. Restricted reserves are available to IAS for future project funding costs. However should these funds not be expensed in line with donor requirements and underspend would be returned to the donor and would not be available to support general organisational activity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2017

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

		2017	2016
3 Cash and Cash equivalents	US\$	13,927,788	16,146,861
Petty Cash	US\$	10,599	7,434
Bank accounts - current accounts	US\$	8,809,448	12,032,771
deposits	US\$	5,107,741	4,106,656
4 Accounts Receivable	US\$	1,243,014	323,239
Conference: Various Sponsors & Donors	US\$		219,709
<i>NIH (received 12.02.2018)</i>	US\$	651,729	-
<i>ANRS</i>	US\$	434,000	-
Programmes: Various Sponsors & Donors	US\$	69,579	64,669
Swiss VAT	US\$	14,842	18,145
Withholding tax	US\$	9,386	2,010
French VAT	US\$	54,002	-
Other		9,476	18,706
5 Prepaid Expenses	US\$	19,850	1,532
Other Prepaid	US\$	19,850	1,532
6 Accounts Payable	US\$	392,142	851,220
Payable - Paris	US\$	32,116	-
Payable - Durban	US\$	132,907	661,669
Payable - Previous Conference	US\$	11,000	11,000
Other various payable	US\$	216,119	178,551
7 Accrued Expenses	US\$	661,817	798,846
CH VAT	US\$	63,358	71,173
SA VAT	US\$	12,755	108,310
FR VAT	US\$	-	2,070
Social Expenses	US\$	422,896	405,245
Accrued Conferences expenses	US\$	128,120	162,659
Other accrued expenses	US\$	34,688	49,389
8 Deferred Income	US\$	744,126	836,295
Membership income			
- Current	US\$	350,420	381,545
- Non-Current	US\$	282,129	289,510
ILF - Sponsors 2018	US\$	93,670	110,000
JIAS - 2018	US\$	-	55,240
Other Deferred income	US\$	17,907	-
9 Provision	US\$	25,500	24,500
Provision for office restoration at end of lease term			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2017

2017

2016

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	4,393,536
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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.

12 General Reserve for AIDS2016 Follow up and AIDS 2018

US\$	543,427	680,000
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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 l&mi countries	US\$	-	180,000
AIDS2016 follow up by IAS in 2017	US\$	(136,573)	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\$ 453,001 (AIDS2018) reflects expenditures that have yet to be covered by the income from the future conference.

14 IAS Conference Revolving Fund

US\$	1,516,325	1,031,086
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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.

IAS2017 Conference Surplus	US\$	485,239
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15 IAS Conference Institut'l Memory and Administration Revolving Fund

US\$	1,602,793	1,602,793
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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.

16 Conferences Surplus

US\$	986,081	1,012,386
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Core expenses	US\$	70,312	(215,863)
Implementation of a CRM & scholarship system	US\$	(15,977)	380,000
ICT Roadmap	US\$	(26,258)	50,000
ICT Security Audit & Security assessment	US\$	(54,382)	150,000

17 General Reserve

US\$	1,019,668	993,527
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IAS Core activities Surplus / (Deficit)	US\$	26,139	56,279
Conference Surplus	US\$	-	349,815
HIV Programmes deficit	US\$	-	(3,342)

18 Other unrestricted revenues

US\$	405,086	434,333
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Other	US\$	41,354	9,039
JIAS Income	US\$	363,732	425,294

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2017

19 Extraordinary, non-recurring or prior period income	US\$	32,259	41,570
Reimbursement of HST (Vancouver)	US\$		16,508
Dissolution of previous year reserves	US\$	28,236	20,760
Other prior period income	US\$	4,023	4,302
20 Direct expenses	US\$	1,293,820	2,886,440
Delegate transportations (Durban)	US\$	-	740,653
Logistics, Exhibition (venue rental, setup, AV, etc.)	US\$	787,914	443,140
Scholarships (registrations & per diem)	US\$	155,526	712,600
Local office expenses (Local staff, office costs...)	US\$	-	255,290
Programme & Programme activities	US\$	66,608	183,809
Secretariat (Incl. I/T)	US\$	45,569	13,297
Communications & Fundraising	US\$	17,563	36,788
Insurances, start up and other financial costs	US\$	58,445	117,675
Symposium, workshops, meetings & Preconferences costs	US\$	162,196	383,188
C. OTHER INFORMATION			
21 Credit Agreement	US\$	113,903	108,903
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)			
22 Residual amount of lease obligations	US\$	2,214,621	2,718,940
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\$	526,246	504,320
Between 1-5 years	US\$	1,688,374	2,104,986
More than 5 years	US\$	-	109,635
23 Pensions scheme liabilities	US\$	189,555	177,732
These pension schemes liabilities are included in the balance sheet position under "Accrued Expenses"			
24 Full-time equivalents	FTE	52	52
The annual average number of full time equivalents for the reporting year exceeds 50, as well as previous year average			
25 Significant events after the balance sheet date			
No events occurred subsequent to 31 December 2017 which could have a material impact on the understanding of these financial statements			



**9th International AIDS Conference on HIV Science,
(IAS 2017)
Paris 23 - 26 July 2017**

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

9th International AIDS Conference on HIV Science, (IAS 2017) Paris 23 - 26 July 2017

As auditor, we have been engaged to audit the accompanying statement of income and expenditures of the 9th International AIDS Conference on HIV Science held in Paris, on 23 July - 26 July 2017, 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.



*9th International AIDS Conference on HIV Science,
Paris, France, 23 - 26 July 2017
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 9th International AIDS Conference held in Paris on 23 July - 26 July 2017, 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 2017.

KPMG SA

Pierre Henri Pingeon
*Licensed Audit Expert
Auditor in Charge*

Cédric Rigoli
Licensed Audit Expert

Geneva, 15 June 2018

Enclosure:

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

**9th IAS Conference on HIV Science (IAS 2017)
23-26 July 2017, Paris, France**

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

Notes		Approved Budget	Actuals
Income			
2	SPONSORS AND DONORS	2,510,984	2,523,317
	EXHIBITIONS & SATELLITES	1,547,881	1,547,474
3	REGISTRATION FEES	3,184,000	3,248,400
4	OTHER REVENUES	148,471	148,471
	TOTAL INCOME	7,391,336	7,467,662
Expenditures			
5	LOGISTICS	1,561,205	1,559,897
	EXHIBITIONS & SATELLITES COSTS	167,939	167,795
6	SCHOLARSHIPS	375,953	385,255
	PROGRAMME	561,692	567,149
	AUDIO VISUAL	364,379	358,314
7	IAS CONFERENCE SECRETARIAT	1,447,500	1,436,435
	IT	450,616	456,967
	COMMUNICATIONS	655,606	642,080
	EVALUATION + QUALITY ASSESSMENT	204,000	210,106
	RESOURCE DEVELOPMENT	282,449	260,844
9	GOVERNANCE	43,500	33,896
	AUDIT / FINANCE	404,200	411,761
10	VARIOUS FINANCIAL COSTS	196,000	204,415
11	START-UP COSTS	55,000	54,447
	OTHER LOCAL COSTS	233,054	233,055
	TOTAL EXPENDITURES	7,003,093	6,982,416
8	REVOLVING FUND	388,243	485,246
	SubTotal Surplus / (Deficit)	0	0

9th IAS Conference on HIV Science (IAS 2017)

23-26 July 2017, Paris, France

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, 2018

The "approved budget" figures in the left column reflects the last budget accepted by the IAS Governing Council on December 11, 2017

2 Donors & Sponsors

Major donors & sponsors for IAS2017 included:

Donors

l'Agence de recherche ANRS (France Recherche Nord & Sud Sida-HIV Hépatites)
The Netherlands – Ministry of Foreign Affairs
U.S. National Institute Of Allergy And Infectious Diseases
U.S. National Institutes Of Health – Office of AIDS Research
UNITAID
World Health Organization (WHO)

Major Industry Sponsors

Gilead Sciences
Merck Sharp & Dohme
ViiV Healthcare UK

Corporate Sponsors

AbbVie
Chevron U.S.A.
Hetero Labs
Mylan
Hologic, Inc.
Janssen Pharmaceuticals

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 5,227 (IAS 2015, Vancouver: 3,938) less the voluntary delegate contributions mentioned hereunder

	IAS2017		IAS2015	
<u>Paid Registration:</u>				
Fully paying registrations:				
- High Income Countries delegates	2,843		2,338	
- UM, LM and Low Income Countries	<u>1,523</u>	4,366	<u>960</u>	3,298
Day passes		51		
Students & Youth		600		505
Exhibitors		54		26
Accompanying Persons and Children		<u>156</u>		<u>109</u>
Total paid registrations:		5,227		3,938
<u>Non-paid registrations:</u>				
Media		306		237
Free Registrations (including scholarship recipients, volunteers and staff)		2,295		1,304
Voluntary delegate contributions to:				
- Memberships "IAS"		\$ 310,350		

9th IAS Conference on HIV Science (IAS 2017)

23-26 July 2017, Paris, France

Explanatory Notes to the Final Statement of Income and Expenditures

4 Other revenues

Other sources of revenue include hotel commission

5 Logistics

IAS2017

IAS2015

The main expenditures incurred for the Logistics are as follows:

	\$ 1,559,897	\$ 791,615
Facilities (rent, signage, and set up of venue)	877,220	202,213
On Site and Logistic Personnel (staff, hostesses and volunteers)	436,045	471,699
Fees to PCO (K.I.T.) for:		
<i>project management, travel, registration and exhibition handling</i>	172,088	72,733
Printed material (Invitation, Final Prog., Abstract Book, etc)	15,038	9,894
Bags and Badges	46,039	18,476
Travel, logistic staff	13,468	16,600

6 Scholarships

These figures include scholarships recipients and speakers as per the main details bringing 105 delegates and 60 speakers (IAS 2015: 90 scholarships and 61 speakers) to the conference mainly from developing countries:

	\$ 385,255	\$ 317,393
Travel	137,791	90,852
Accommodation & per diem	90,147	47,436
Registration fees	77,362	82,920
Handling	79,955	96,185

7 IAS Conference Secretariat (Geneva)

	\$ 1,436,435	\$ 1,283,191
Staff	735,900	671,910
Office costs	408,627	402,010
Travel	251,108	199,540
Legal services	38,160	6,897
Consulting fees	2,640	2,834

8 Revolving Fund

\$ 485,246

\$ 330,000

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.

9 Governance

\$ 33,896

\$ 116,082

This cost includes community engagement board travel and related activities

10 Various Financial Costs

The various financial costs include:	\$ 204,415	\$ 208,912
Foreign exchange (Gain) / Loss	16,518	68,681
Bank & credit cards fees	64,565	57,008
Service importation tax	61,925	40,021
Insurances	54,057	36,703
Charity Program	7,350	6,500

11 Start-up Costs

\$ 54,447

\$ 138,629

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.