“WORKING TOGETHER TO END HIV TRANSMISSION AND REDUCE ITS IMPACTS THROUGH LEADERSHIP, ADVOCACY AND COMMUNITY-LED ACTION ON HEALTH, HUMAN RIGHTS AND SOCIAL JUSTICE IN AUSTRALIA, ASIA AND THE PACIFIC.”
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AFAO HIT ITS STRIDES IN 2017/18, MAKING CLEAR PROGRESS TOWARDS AMBITIOUS POLICY GOALS, EXPANDING OUR FAMILY OF ORGANISATIONS AND STRENGTHENING OUR CAPACITY TO COORDINATE THE COMMUNITY-LED HIV RESPONSE.

Our standing among political and departmental leaders solidified. Our arguments resonated in Canberra and we were sought out as a trusted partner and source of sage advice.

However, this renewed standing did not dim our advocacy. In 2017/18 we launched the HIV Blueprint. The document made a compelling and costed case for boosting the skills of the HIV workforce, coordinated policy leadership, new national education programs and the promotion of rapid and self-testing. The Blueprint has already been adopted in part by political parties across the spectrum. We will continue to push its objectives in the coming year.

AFAO's improved capacity also helped us navigate Pharmaceutical Benefits Scheme (PBS) approval of the critically important HIV prevention pill, PrEP. This involved months of painstaking negotiation, advocacy and research. The final result is that Australia was second only to New Zealand in making PrEP accessible and affordable to those who need it.

In the years ahead I expect our imprint on the national health landscape will only grow. This year we settled on a new strategic plan to see us through to the end of the decade. The strategic plan sets as our vision: Working together to end HIV transmission and reduce its impacts through leadership, advocacy and community-led action on health, human rights and social justice in Australia, Asia and the Pacific.

Our capacity to achieve this vision has improved as our finances have strengthened. Nonetheless, our long-term viability cannot be taken for granted. That challenge sits behind our Collective Strength project. Working with each of our member organisations, we have established the potential to amplify our political influence, program impact and funding. We know that greater scale means decreased vulnerability. We will continue to pursue this project through engagement and consultation among members.

AFAO's Board experienced a talent shuffle this year. James Dunne resigned as the AIVL-appointed Director to move to Europe, replaced by Christian Vega. Stephen Teulan and Susan Chong also re-joined AFAO Board. Our governance is strong with a diversity of viewpoints and a good mix of skills.

I thank AFAO's Directors for their generosity and wisdom during the year. I also extend my appreciation to the Board members of the AFAO Foundation, our partner in Thailand, who give their time and energy in support of our work.

The 2017/18 financial year saw us welcome new affiliate members such as the AIDS Trust of Australia, Positive Women Victoria, the Public Health Association of Australia, the Australasian Society for HIV, Viral Hepatitis and Sexual Health Medicine, Family Planning NSW, the HIV/AIDS Legal Centre, the Sexual Health and Blood-Borne Virus Applied Research and Evaluation Network (SiREN), the Peter Doherty Institute for Infection and Immunity, the Victorian African Health Action Network, and the Australian Health Care Reform Alliance.
Sadly we lost a number of friends and champions of the community-led HIV response. The loss of Professor David Cooper was unexpected and terrible, as he was a towering intellectual and moral presence not only in Australia but in the global response to HIV. However, his legacy lives on at the Kirby Institute. We also lost Adjunct Associate Professor Levinia Crooks, CEO of ASHM. Levinia was renowned for her advocacy and capacity to forge consensus.

Also dearly missed is former AFAO board member, Neville Fazulla, who did so much to communicate the experience of Aboriginal and Torres Strait Islander people living with HIV. We also mourn the death of Jenny Kelsall, executive officer of Harm Reduction Victoria, a former AFAO Director and a tireless advocate for harm reduction, Tony Maynard, who contributed greatly to community efforts including roles with the Victorian AIDS Council, ACON and NAPWHA and Jim Hyde, a former member of the AFAO executive and leader in the Victorian response to HIV.

National President
Dr Bridget Haire

“IN THE YEARS AHEAD I EXPECT OUR IMPRINT ON THE NATIONAL HEALTH LANDSCAPE WILL ONLY GROW.”
CEO’S REPORT

SUSTAINING PROGRESS, REALISING POTENTIAL

Two years ago, AFAO launched an ambitious three-pronged agenda: make access to PrEP equitable and affordable, foster durable relationships with Commonwealth decision-makers, and build a financially sustainable community-led HIV response. Today, the hard work of staff and supporters is rewarding that clear vision.

In March, the Health Minister, Greg Hunt, confirmed the Commonwealth Government would list Pre-Exposure Prophylaxis on the Pharmaceutical Benefits Scheme (PBS). This puts PrEP in reach of approximately 37,000 eligible gay and bisexual men who previously could not access PrEP, relied on clinical trials for access, or had to import PrEP online from overseas suppliers. PrEP is 99 per cent effective at preventing HIV. Access to PrEP through the PBS will avert thousands of new transmissions among populations at risk of HIV in Australia.

As one of the few nations in the world to provide subsidised access to PrEP, Minister Hunt’s decision returned Australia to its rightful position of global HIV leadership. Over time this decision will also leave a powerful financial legacy. Kirby Institute modelling shows each averted HIV transmission saves the Commonwealth approximately $1 million in lifetime costs.

While the final outcome on PrEP seems logical in hindsight, it was by no means certain. In fact, the listing of PrEP on the PBS would not have happened without careful negotiation and relentless advocacy from AFAO. One individual who deserves particular credit is NAPWHA representative, Bill Whittaker, one of our sector’s cleverest and canniest advocates. Bill’s calm, and measured counsel enabled AFAO to navigate a productive relationship with the key players involved to ensure PrEP was listed on the PBS.

TRUSTED BONDS, SHARED PURPOSE

The PrEP decision was built on strong political foundations. AFAO’s engagement with political and departmental leaders has been deep and relentless. Our World AIDS Day parliamentary breakfast, for example, was attended by 100 guests, including over 20 members and senators. Speakers included the ministers for health and foreign affairs, their opposition counterparts and the leader of the Australian Greens.

Earlier in the year, we hosted a parliamentary briefing to launch the HIV Blueprint. The Blueprint charts a path to averting more than 2,000 HIV transmissions by the end of the decade, through additional investment in nationally coordinated health and education programs, promotion of rapid and self-testing, and a sustained and informed program to
address HIV among Aboriginal and Torres Strait Islander people and hidden populations at risk of HIV. At an annual cost of $32.5 million, it projects long term savings to the Commonwealth of more than $2 billion. The Blueprint met serious interest in Canberra with Labor committing $39m for national HIV efforts if elected and the Government committing $180m for PrEP. The Blueprint continues to provide the foundation for AFAO’s advocacy.

NO ONE LEFT BEHIND

Among the Blueprint’s core propositions is that HIV does not respect borders or passports. HIV prevention and treatment must reach those at risk of transmission regardless of sexual orientation, ethnicity, or gender identity. The same insight is at the heart of AFAO’s international work.

AFAO’s team in Bangkok successfully pursued this principle through the Global Fund-supported USD$2.3m Sustainable HIV Financing in Transition (SHIFT) program. SHIFT aims to improve the advocacy and policy–making capacity of civil society organisations in our region. This year, it supported advocacy on the Philippine HIV and AIDS Bill, which dramatically increases domestic HIV/AIDS funding from PHP ₱20m to PHP ₱4.3b. SHIFT also supported the Thailand National AIDS Foundation in advocating for the introduction of standardised guidelines for an annual THB ₱200m HIV funding allocation for Thai civil society organisations. SHIFT provided similar support to civil society organisations in Malaysia and Indonesia.

Another international highlight came in April, when we were appointed by the Global Fund to lead consultations for its Asia Multicountry HIV Grant. The new grant of USD$12.5m aims to promote the scale-up of HIV services for key populations in eight countries – Bhutan, Lao PDR, Malaysia, Mongolia, Papua New Guinea, the Philippines, Sri Lanka and Timor-Leste.

A YEAR TINGED BY SADNESS

We lost three giants of the HIV response this year. The passing of Neville Fazulla leaves a gaping hole in our movement. For 25 years, Neville was a leader of the Aboriginal and Torres Strait Islander HIV response and a staunch advocate. His leadership of the Anwernekenhe National HIV Alliance and his friendship will be remembered.

Levinia Crooks is also deeply mourned. Levinia was an outstanding chief executive of the Australasian Society for HIV, Viral Hepatitis and Sexual Health Medicine, and an incisive advocate for the HIV response. Levinia had a unique capacity to bring people together to effect change.

In February, we received devastating news that Professor David Cooper had passed away. While David was a clinician and researcher, he was also equal parts activist and advocate. His professional life was devoted to the HIV epidemic and under his leadership, the Kirby Institute became one of the world’s leading exponents of HIV research.

MOVING FORWARD

AFAO works on behalf of its members. I thank all our members for their support during the year together with our staff for their tireless work.

The community-led HIV response in Australia, Asia and the Pacific is delicately poised. A combination of scientific advance, political will and growing public momentum for our mission put us in our most promising position in decades. The challenge is consolidating our gains and sustaining our progress. I look forward to continuing this effort in the year ahead.

CEO
Adjunct A/Prof. Darryl O’Donnell
WORLD AIDS DAY PARLIAMENTARY BREAKFAST 2017

WORLD AIDS DAY IS AN INTERNATIONAL MOMENT TO RECOGNISE THOSE WE HAVE LOST TO AIDS AND THOSE LIVING WITH HIV.

The annual World AIDS Day Parliamentary Breakfast, which began in 2010, highlights Australia’s ongoing community-led response to HIV and AIDS. All federal parliamentarians are invited to attend. AFAO organises the breakfast in collaboration with the National Association of People with HIV Australia (NAPWHA) and the Pacific Friends of the Global Fund to Fight AIDS, Tuberculosis and Malaria. The breakfast has become a key event for educating policy and decision makers, including parliamentarians, about Australia’s domestic and international commitment to HIV and AIDS.

AFAO, NAPWHA and Pacific Friends hosted the 2017 World AIDS Day Parliamentary Breakfast at Parliament House in Canberra on 7 December. It was moderated by ABC health reporter Norman Swan.

The breakfast was an overwhelming success with the Minister for Health, the Hon Greg Hunt MP, committing to two years of funding at existing levels for peak national organisations, including AFAO. The Minister additionally committed to a goal of 95-95-95 in the coming National HIV Strategy, rapid listing of PrEP following a positive recommendation from the PBAC and a new NHMRC research grant.

ADDITIONAL SPEAKERS AT THE BREAKFAST INCLUDED:

• The Hon Julie Bishop MP, Minister for Foreign Affairs
• Senator the Hon Penny Wong, Shadow Minister for Foreign Affairs
• The Hon Catherine King MP, Shadow Minister for Health
• Senator Richard Di Natale, Leader of the Australian Greens
• Senator Dean Smith, Chair, Parliamentary Liaison Group on HIV/AIDS, BBVs and STIs
• Senator the Hon Lisa Singh, Deputy Chair, Parliamentary Liaison Group on HIV/AIDS, BBVs and STIs.

OTHER VIPS WHO ATTENDED THE BREAKFAST INCLUDED:

• Senator the Hon Concetta Fierravanti-Wells, Minister for International Development and the Pacific
• Senator Claire Moore, Shadow Minister for International Development and the Pacific
• Dr Sharman Stone, Ambassador for Women and Girls, Department of Foreign Affairs and Trade
• His Excellency Vice Admiral (Retired) Paul Maddison CMM, MSM, High Commissioner of Canada in Australia
• Professor Brendan Murphy, Australian Government Chief Medical Officer

THE BREAKFAST INCLUDED AN EXPERT PANEL DISCUSSION OF THE CHALLENGES AUSTRALIA FACES AS WE WORK TOWARDS OUR GOAL OF ENDING HIV TRANSMISSION. PANELISTS INCLUDED:

• Adj. A/Prof. Darryl O’Donnell, Chief Executive Officer, AFAO
• Mr Cipri Martinez, President, NAPWHA
• Associate Professor Mark Bloch, President, ASHM
• Professor Sharon Lewin, Director, Doherty Institute
• Professor Andrew Grulich, Head of Epidemiology and Prevention, Kirby Institute, UNSW
• Mr Keith Ball, Member, Positive Aboriginal and Torres Strait Islander Network (PATSIN)
AFAO ORGANISATIONAL CHART
AT 30 JUNE 2018

Darryl O’Donnell
Chief Executive Officer

Heath Paynter
Deputy Chief Executive Officer

Sarita Ghimire
Manager, Business Operations

Joselyn Pang
Manager, International Programs

Ben Wilcock
Senior Capacity Building & Projects Officer

Renee Parker
Business Support Officer

Phornchai Chiravinijnandh
Finance & Admin Manager

Jeanne Ellard
Senior Research Officer

Chonlada Chanwana
Finance & Operations Officer

Greg Gray
HIV Financing Technical Advisor

Leila Stennett
Senior Campaigns & Policy Analyst

Rebecca Gupta-Lawrence
Program Officer

Daniel Storer
Policy Analyst

Jenny Xia
Monitoring & Evaluation Officer
AFAO MEMBER ORGANISATIONS

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AFAO AFFILIATE ORGANISATIONS

- Australian Health Care Reform Alliance
- ashm: Supporting the HIV, Viral Hepatitis and Sexual Health Workforce
- centre for culture, ethnicity & health
- Doherty Institute
- family planning nsw: Reproductive & Sexual Health
- halc: HIV/AIDS Legal Centre
- LGBTI National LGBTI Health Alliance
- living positive victoria
- Multicultural HIV and Hepatitis Service: A statewide service hosted by Sydney Local Health District
- New Zealand AIDS Foundation
- Positive Life NSW: The voice of people with HIV since 1988
- PositiveWomen: Support and advocacy for women living with HIV
- Public Health Association Australia
- SHINE SA
- trust: AIDS Trust of Australia
- VAHAN: Victorian African Health Action Network

* The Victorian African Health Action Network (VAHAN) and the Australian Health Care Reform Alliance (AHCRA) were admitted as members in 2017/18 financial year.
AFAO AUSTRALIA PROGRAM REPORT

AFAO COMMENCED 2017/18 BY LAUNCHING THE BLUEPRINT TO END HIV TRANSMISSION IN AUSTRALIA.

The Blueprint provides government a consensus view from Australian scientific, medical and community organisations on the efforts needed to virtually end HIV transmission. It is endorsed by twenty-nine organisations, including AFAO members. The modelling in the Blueprint developed by the Burnet Institute and the Kirby Institute, illustrated substantial costs savings for the Commonwealth from modest additional investment. The Blueprint also provides a framework for AFAO’s business planning, capacity building, engagement with research, policy solutions and thought leadership.

At the start of this financial year, PrEP access across Australia was unequal and uncertain. For those who lived in New South Wales, Victoria or Queensland, PrEP could be accessed, to varying degrees, through interim access trials. In other jurisdictions, PrEP access was limited to online importation.

Our policy work for the first half of the year supported efforts to improve PrEP access and uptake among gay and bisexual men. Our aim was to have PrEP subsidised through the Pharmaceutical Benefits Scheme (PBS). This involved navigating Australia’s complex pharmaceutical regulatory environment to support a PBS listing. A highlight of the financial year was the government’s announcement in February that PrEP would be subsidised through the PBS from 1 April.

We played a critical role in creating an environment where a cost-effective price for PrEP could be negotiated between government and industry for subsidised access through the PBS. This involved ongoing contact with the Department of Health, the Pharmaceutical Benefits Advisory Committee (PBAC) and the three PrEP suppliers seeking to have PrEP listed on the PBS. These discussions were informed by AFAO-commissioned modelling to determine the cost-effective price for PrEP based on the estimated numbers of eligible PrEP users in Australia. We also worked with our members to prepare a substantial submission to the PBAC supporting PrEP’s PBS listing.

At the start of this financial year, PrEP access across Australia was unequal and uncertain. For those who lived in New South Wales, Victoria or Queensland, PrEP could be accessed, to varying degrees, through interim access trials. In other jurisdictions, PrEP access was limited to online importation.

AFAO supported its members and other stakeholders with regular updates on PrEP and other developments in HIV technology and science. Following the February announcement that PrEP would be listed on the PBS from 1 April, AFAO worked with ASHM to prepare a factsheet on what PrEP listing on the PBS means for communities.

As the year progressed we rapidly responded to other issues that emerged. In response to concerns about drug resistant gonorrhoea strains in Australia, we prepared a paper advising that while drug resistant gonorrhoea could emerge in Australia, it is not a significant problem in the Australian community at this time. We highlighted a range of strategies needed to prevent drug resistance becoming a problem in the future. AFAO also responded to proposed changes to Australia’s electronic health data storage system, My Health Record, by preparing a fact sheet updating our communities about this initiative.
An ongoing policy challenge for AFAO is the absence of an approved HIV self-testing device in Australia. AFAO continues to work with industry and government towards approval of a HIV self-test. We are also working with our membership to support easy access to a device when and if approval is granted by the Therapeutic Goods Administration. Our advocacy for approval of a self-testing device in Australia remains a priority and continues.

Our members’ meetings and participation at the Australasian HIV & AIDS Conference, through the AFAO Community Hub, provided significant opportunities for AFAO-led engagement with representatives from the HIV community workforce, researchers and clinicians. AFAO’s long-standing and successful publication *HIV Australia* was successfully transitioned from print to an online platform. Including podcasts, blogs and long form essays, *HIV Australia* covered issues ranging from access to healthcare and HIV services for trans and gender diverse people to drug use among our communities to current issues like PrEP and HIV self-testing.

In August, AFAO farewelled senior campaigns and policy analyst, Michael Frommer. Michael had been with AFAO since 2010. Michael developed a keen interest and expertise in critical areas of HIV policy, in particular, HIV criminalisation, migration issues for people living with HIV and HIV testing. Michael had a strong rapport with our members and other stakeholders. We wish Michael the very best.
AFAO INTERNATIONAL PROGRAM

ENTERING ITS SECOND YEAR, THE SUSTAINABLE HIV FINANCING IN TRANSITION (SHIFT) PROGRAM AIMS TO ENABLE AND EMPOWER CIVIL SOCIETY, INCLUDING KEY POPULATIONS, TO ADVOCATE FOR SUSTAINABLE HIV FINANCING.

The program is implemented in four middle-income countries: Indonesia, Malaysia, the Philippines and Thailand.

The program is led by AFAO, as the principal recipient, APCOM as a regional sub-recipient, and country sub-recipients including Action for Health Initiatives (ACHEIVE) in the Philippines, the Indonesia AIDS Coalition, the Malaysian AIDS Council and the Thai National AIDS Foundation. It has rapidly gained recognition in the region for its innovative work on HIV financing and transitioning.

Over the past financial year the SHIFT program has:

• conducted seven studies on HIV financing issues at regional and national levels in 2017 and the first half of 2018
• at a regional level, conducted a National Situational Assessment on HIV financing in the four program countries, focusing on budget cycles and financing mechanisms
• studied civil society organisation national funding mechanisms in Malaysia and those at the district level in Indonesia. In addition, the program researched HIV financing laws and relevant civil society organisation practices in Thailand. Key findings of the studies were used to promote and advocate on HIV financing issues at various conferences and forums.

The program has overseen more than fifty advocacy events at regional and national levels, including forums, policy dialogues, courtesy visits, and sensitisation workshops with decision and policy makers.

These activities engaged a total of 801 people representing 403 organisations from the four program countries, including local non-government organisations, governments, multilateral organisations, academia, the private sector and media.

The SHIFT program developed a monitoring and evaluation framework in 2017, which established six impact indicators and 17 outcome indicators to measure the program objectives, as well as specific measurements including: fiscal space, allocative efficiency, transitioning, domestic funding mechanisms for civil society organisations, and sustainable financing for civil society organisations.

The monitoring and evaluation framework is the first attempt to develop a way of clearly evaluating not only SHIFT's progress but also any future project involving HIV financing, transitioning and sustainability for civil society organisations.

SHIFT KNOWLEDGE MANAGEMENT HUB

The SHIFT Knowledge Management Hub was launched in March 2018. The hub is an interactive website – www.shiftfinancing.org – that provides resources and other information as well as giving a breakdown of SHIFT activities. A number of HIV financing case studies have been developed by our country and regional sub-recipient partners to further highlight issues relating to domestic HIV financing in addition to other relevant resources. The site also includes infographics and links to other related resources produced by partners on HIV financing.

ASIA MULTICOUNTRY HIV GRANT

In April 2018, the Global Fund to Fight AIDS, Tuberculosis and Malaria selected AFAO to lead a regional dialogue to inform the development of new multi-country HIV program. AFAO led a rigorous process of regional and in-country consultations and, in August 2018, submitted the application for the program.

The program is anticipated to begin in January 2019 with AFAO as the principal recipient for the grant. The program aims to promote the sustainable scale-up of HIV services for key populations in eight diverse countries – Bhutan, Lao PDR, Malaysia, Mongolia, Papua New Guinea, the Philippines, Sri Lanka and Timor-Leste. The grant builds on existing Global Fund-supported programs in country.
FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

AUSTRALIAN FEDERATION OF AIDS ORGANISATIONS LIMITED
ABN 91 708 310 63, ACN 619 928 460

THE BOARD OF DIRECTORS REPORT FOR THE YEAR ENDED 30 JUNE 2018

The directors present their report, together with the financial statements, on the Federation for the year ended 30 June 2018. The following persons were directors of the Australian Federation of AIDS Organisations Limited during the financial year or since the end of the year:

Bridget Haire – National President
David Menadue
Joanne Leamy
Mish Pony
Susan Chong
Peter William Rowe

Mark Orr - Vice President
James Dunne (up to May 2018)
Michael Doyle
Michelle Tobin
Stephen Teulan
Christian Vega (from May 2018)

DIRECTORS’ REGISTER OF ATTENDANCE 2018

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AFAO ANNUAL REPORT 2018: FINANCIALS

AFAO ANNUAL REPORT 2018: FINANCIALS

FINANCIAL REPORT (CONT.)

FOR THE YEAR ENDED 30 JUNE 2018

AFAO BOARD AS AT 30 JUNE 2018

Bridget Haire, National President: Bridget is a post-doctoral research fellow at the Kirby Institute, UNSW, where she studies ethical aspects of infectious diseases. Her research includes PrEP, HIV criminalisation and neglected tropical diseases. She has a strong commitment to the community sector and has worked in HIV and sexual and reproductive health in a range of roles for more than 20 years.

Bridget is a member of the Ministerial Advisory Committee on Blood Borne Viruses and Sexually Transmissible Infections, the NSW Assessment Panel for the Management of People with HIV Who Risk Infecting Others and is the Global Emerging Pathogens consortium. She is a former consultant for the Australia-China Human Rights Technical Co-operation Program on sexual and reproductive health rights for the Australian Human Rights Commission.

She has a Masters of Bioethics (Hons) and a Doctorate on standards of care in HIV prevention research.

Mark Orr, Vice President: Mark is a senior manager working in mental health in the not-for-profit-sector. He is the immediate past president of the board of ACON, one of AFAO’s members, and a previous Director and Co-Chair of Sydney Gay and Lesbian Mardi Gras.

Mark holds Masters degrees in Health Services Management and e-Health (Health Informatics), as well as postgraduate qualifications Applied Corporate Governance, applied finance and investments and special education. He is a graduate member of the Australian Institute of Company Directors and associate member of the Governance Institute of Australia.

Susan Chong: Susan is a lecturer in the undergraduate Department of Public Health at La Trobe University, which offers the Bachelor of Health Sciences degree. The subjects she teaches focus on program planning and evaluation, community health promotion, field placement, public health practice and global health. Her current research interests are in community systems strengthening, HIV and AIDS policy and advocacy, the HIV treatment cascade, and treatment-seeking behaviour of people living with HIV.

Susan has worked in the field of HIV and AIDS for over 25 years in Asia and the Pacific. Her work has included coordinating an Asia Pacific network of non-government organisations, facilitating civil society participation in international development programs, strategic planning, resource mobilisation, program planning, policy analysis, research, and monitoring and evaluation.

Michael Doyle: Michael Doyle is Wingara Mura Research Fellow at the University of Sydney. He is an early career Aboriginal researcher in the alcohol and drug field with a particular interest in prisoner health. He has worked in Aboriginal health service provision, policy and research for over 18 years.

Michael was the first Aboriginal person to graduate with a Master of Public Health from the University of Western Australia and is in the final year of his PhD at UNSW Australia.

Joanne Leamy: Joanne served on the Board of Queensland AIDS Council from 2008 until 2016, including as President from late 2012.

Joanne is a Registered Nurse with over 20 years nursing and research experience in the fields of sexual health, HIV and hepatitis C. She holds an MA (Nursing) and has held sessional teaching positions at James Cook University, Griffith University and taught at University of Queensland HIV Courses. She is also a Graduate of the Australian Institute of Company Directors.

Joanne has a teenage son and has undertaken various volunteering activities in her LGBTI community.
David Menadue: David has served in range of governance roles with HIV organisations in Victoria and nationally. These include being Vice-President and a Board Member of the Victorian AIDS Council for numerous terms since 1989, a former President and Board Member of People living with HIV/AIDS Victoria (now Living Positive Victoria), a Board member of AFAO and a former President and current Board Member of NAPWHA.

David is a former school teacher, retired since the 1990’s after several AIDS-defining illnesses. He has a particular interest in the service and policy needs of people living with HIV as they age.

He was awarded an Order of Australia in 1995 and is the author of an autobiography Positive.

Mish Pony: Mish Pony has been involved in the sex worker rights movement and LGBTIQ health for a number of years, starting as a queer officer at the University of Sydney and a facilitator of ACON’s Fun & Esteem project. Mish was the Trans Sex Worker Representative for Scarlet Alliance, Australian Sex Workers Association 2009–2010, and 2011–2013, and International Spokesperson in 2010–2011.

They are currently the Administration Officer for Scarlet Alliance, Australian Sex Workers Association; and are a collective member of Camp Out Inc, an organisation that puts on an annual camp of LGBTIQ teenagers. Mish has facilitated numerous workshops on trans*, queer and sex worker issues, as well as presenting at conferences around Australia. Mish also runs a trans woman zine distro in their spare time and is part of a collective establishing a queer, women-focused land project in the Hunter Valley.

Peter William Rowe (Willie): Willie has a long history of working with the HIV sector as a member and Chair of the WA AIDS Council’s (WAAC) Board of Management and as President of AFAO. He has most recently been the interim CEO of WAAC, and prior to that was Chief of Staff to former Western Australian Premier Colin Barnett.

Willie brings a background of corporate communications, government engagement and issues management to the AFAO Board.

Stephen Teulan: Steve is a Chartered Accountant who has worked in senior management roles in the health and aged care sector for the last twenty–one years.

Prior to joining Nous Group, he was the leader of the aged care services for Uniting (NSW.ACT). During that time, Uniting became the first large aged care provider and first faith–based aged care provider in Australia to receive the Rainbow Tick. In 2016, Uniting also received the Pride in Diversity award for Top Not for Profit Employer of LGBTI People in Australia.

In his role as Principal Consultant at Nous Group, Steve regularly undertakes policy work with Federal and State Governments.
Michelle Tobin: Michelle is an Aboriginal woman of the Yorta Yorta Nation; she is also a descendant of the Stolen Generation. Michelle has lived with HIV for over 27 years, lost her husband to HIV and has experienced many levels of stigma and discrimination. None of this has stopped her. Instead, it has driven Michelle to become a very passionate and vocal advocate for HIV issues. Michelle is supported by her partner, two daughters (aged 23 and 27) and 5 beautiful grandchildren, living on the Central Coast, NSW.

Since her diagnosis in 1990, Michelle has spent many years working with the HIV Speakers Bureau nationally. She has served on several HIV Boards and committees, at a state and national level. She currently sits on the Board of the Anwernekenhe National HIV Alliance (ANA) as the HIV-positive representative and Chair and is a community member and the convener of the Positive Aboriginal Torres Strait Islander Network (PATSIN). She is also a member of the National Association of People With HIV Australia’s (NAPWHA) Femme Fatales network. At present, she is one of two women across Australia who advocate for Aboriginal and Torres Strait Islander people living with HIV. She also represents the positive voice of Aboriginal and Torres Strait Islander peoples, especially for women, on a number of advisory committees.

Christian Vega: Christian is the Senior Policy Officer with the Australian Injecting and Illicit Drug Users League (AIVL), the national peak body representing people who use illicit drugs and the state and territory peer-based drug user organisations. As a member of a number of HIV key affected communities, Christian has worked extensively for over 20 years in the sector in diverse roles involving front-line service delivery, organisational governance, and the grass-roots community mobilisation of sex workers, people who use drugs, and men who have sex with men.

A passionate advocate of peer-based responses, Christian’s work often focuses on the culture, community and leadership within Australia’s response to blood-borne viruses and its contribution to the broader population.

PRINCIPAL ACTIVITIES AND OBJECTIVES

AFAO’s Objects are to:

- end the transmission of HIV;
- maximise the health and wellbeing of AFAO’s communities;
- oppose discrimination and violence and reduce stigma associated with HIV;
- foster and advocate for strengthened community responses to HIV in Australia, Asia and the Pacific;
- contribute to the global effort to end HIV and AIDS and respond to issues affecting the Members and communities abroad;
- recognise and respond to issues that intersect with HIV and that hinder the achievement of these objects, including sexually transmissible infections, drug and alcohol issues, viral hepatitis, and mental health;
- promote sexual health and the enjoyment of sexual and reproductive health rights for all regardless of HIV status;
- adopt a social view of health that recognises the social, economic and structural determinants of good health and that responds to these directly and through the promotion of human rights, social justice and equity of access;
- advocate for, be informed by and remain embedded within communities living with and affected by HIV and the Members who represent them; and
- encourage, facilitate and maximise the participation of people with HIV in all activities of AFAO, whether as office bearers, delegates, representatives, employees, or in any other capacity.
We do this by:
• leading national conversations on these issues and contributing to regional and global dialogue;
• building political support through non-partisan engagement;
• educating decision-makers and the public;
• supporting community engagement and participation in national, regional and international advocacy with decision-makers and stakeholders;
• providing a public voice for these issues in the media and community;
• coordinating issues and responses across the Members, Affiliate Members and other organisations;
• bringing together community representatives to share, plan and respond to issues;
• developing and implementing programs and responding to gaps;
• promoting discussion among the Members and Affiliate Members on policy issues;
• formulating and documenting policy positions and supporting their implementation;
• developing tools, materials and strategic information to support community advocacy and knowledge sharing;
• influencing the planning and reporting of research and supporting its translation;
• strengthening the enabling environment including through systemic advocacy for the elimination of laws that impede the response and the promotion of enablers;
• developing workforce capability and sector capacity and supporting the Members and Affiliate Members;
• promoting the success of AFAO and its Members and Affiliate Members and building awareness of successful community-based responses in Australia, regionally and internationally;
• fostering financial security and sustainability in the community-based responses of AFAO and its Members, Affiliate Members and partners.

SIGNIFICANT CHANGES
No significant changes in the nature of these activities occurred during the year.
FINANCIAL REPORT (CONT.)
FOR THE YEAR ENDED 30 JUNE 2018

OPERATING RESULT

AFAO’s deficit for the year ended 30 June 2018 was $82,620 (2017 deficit of $15,991).

The deficit reflects lower-than-expected recovery of indirect costs for the Sustainable HIV Financing in Transition (SHIFT) program, which will be recouped in 2018-2019, and strategic investment of funds to secure AFAO’s medium and long-term viability. These investments included the Strategic Planning and Collective Strength projects and expenses related to AFAO’s application for the Asia Multicountry HIV Grant.

Given a difficult financial year, with budget constraints for AFAO, the budget was managed prudently, and the outcome was in line with board approvals and the estimated projection for the year. AFAO maintains total equity of $552,298 as at 30 June 2018.

AFAO continues to return to strength in its work program after the defunding of longstanding domestic and international grants during 2015-16, with promising prospects for program expansion in 2018-19.

This year AFAO commenced the delivery at scale of its new grant from the Global Fund to Fight AIDS, Tuberculosis and Malaria, the Sustainable HIV Financing in Transition (SHIFT) program in south east Asia.

Signed in accordance with a resolution of the Board of Directors by:

Bridget Haire    Mark Orr
President    Vice President

Dated this 27 day of September 2018
Australian Federation of AIDS Organisations Limited

ABN: 91 708 310 631

Auditor’s Independence Declaration to the Directors of Australian Federation of AIDS Organisations Limited

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profit Commission Act 2012, as auditor of Australian Federation of AIDS Organisations Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profit Commission Act 2012 in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Rupaninga Dharmasiri
Partner

LBW & Partners
Chartered Accountants
Level 3, 845 Pacific Highway
CHATSWOOD NSW 2067

Dated this 27th day of September 2018
## STATEMENT OF FINANCIAL POSITION

**AS AT 30 JUNE 2018**

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

### ASSETS

#### CURRENT ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>4</td>
<td>1,800,100</td>
<td>1,100,248</td>
</tr>
<tr>
<td>Financial assets – term deposits</td>
<td></td>
<td>131,453</td>
<td>130,232</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>5</td>
<td>39,336</td>
<td>2,485</td>
</tr>
<tr>
<td>Security deposits and prepayments</td>
<td></td>
<td>46,897</td>
<td>23,717</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td></td>
<td>2,017,786</td>
<td>1,256,682</td>
</tr>
</tbody>
</table>

#### NON–CURRENT ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant and equipment</td>
<td>6</td>
<td>27,957</td>
<td>51,598</td>
</tr>
<tr>
<td><strong>TOTAL NON–CURRENT ASSETS</strong></td>
<td></td>
<td>27,957</td>
<td>51,598</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td>2,045,743</td>
<td>1,308,280</td>
</tr>
</tbody>
</table>

### LIABILITIES

#### CURRENT LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>7</td>
<td>211,259</td>
<td>42,298</td>
</tr>
<tr>
<td>Grants in advance</td>
<td>8</td>
<td>1,128,384</td>
<td>493,487</td>
</tr>
<tr>
<td>Provisions – employee benefits</td>
<td></td>
<td>148,034</td>
<td>131,429</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td></td>
<td>1,487,677</td>
<td>667,214</td>
</tr>
</tbody>
</table>

#### NON–CURRENT LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provisions - employee benefits</td>
<td></td>
<td>5,768</td>
<td>6,148</td>
</tr>
<tr>
<td><strong>TOTAL NON–CURRENT LIABILITIES</strong></td>
<td></td>
<td>5,768</td>
<td>6,148</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td></td>
<td>1,493,445</td>
<td>673,362</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td>552,298</td>
<td>634,918</td>
</tr>
</tbody>
</table>

### EQUITY

<table>
<thead>
<tr>
<th>Description</th>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserves</td>
<td>9</td>
<td>175,000</td>
<td>175,000</td>
</tr>
<tr>
<td>Retained earnings</td>
<td></td>
<td>377,298</td>
<td>459,918</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td></td>
<td>552,298</td>
<td>634,918</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## FOR THE YEAR ENDED 30 JUNE 2018

<table>
<thead>
<tr>
<th>Notes</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donation and Gifts</td>
<td>134,041</td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Department of Health</td>
<td>973,382</td>
<td>973,002</td>
</tr>
<tr>
<td>Department of Foreign Affairs and Trade</td>
<td>72,284</td>
<td>72,284</td>
</tr>
<tr>
<td>The Global Fund</td>
<td>1,159,477</td>
<td>630,755</td>
</tr>
<tr>
<td>Interest income</td>
<td>15,004</td>
<td>17,922</td>
</tr>
<tr>
<td>Other income – Australian</td>
<td>254,409</td>
<td>175,324</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>2,536,313</td>
<td>1,869,287</td>
</tr>
<tr>
<td><strong>EXPENDITURE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International Program expenditure</td>
<td>1,233,646</td>
<td>648,177</td>
</tr>
<tr>
<td>Domestic Programs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic programs expenditure</td>
<td>198,865</td>
<td>112,023</td>
</tr>
<tr>
<td>Staffing</td>
<td>819,049</td>
<td>752,572</td>
</tr>
<tr>
<td>Administration</td>
<td>367,373</td>
<td>372,506</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURE</strong></td>
<td>2,618,933</td>
<td>1,885,278</td>
</tr>
<tr>
<td><strong>DEFICIT FOR THE YEAR</strong></td>
<td>(82,620)</td>
<td>(15,991)</td>
</tr>
<tr>
<td><strong>OTHER COMPREHENSIVE INCOME</strong></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</strong></td>
<td>(82,620)</td>
<td>(15,991)</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

<table>
<thead>
<tr>
<th></th>
<th>Retained Earnings $</th>
<th>Reserves $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 30 June 2016</strong></td>
<td>531,787</td>
<td>119,122</td>
<td>650,909</td>
</tr>
<tr>
<td>Deficit for the year</td>
<td>(15,991)</td>
<td>–</td>
<td>(15,991)</td>
</tr>
<tr>
<td>Transferred to or (from) Reserves</td>
<td>(55,878)</td>
<td>55,878</td>
<td>–</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2017</strong></td>
<td>459,918</td>
<td>175,000</td>
<td>634,918</td>
</tr>
<tr>
<td>Deficit for the year</td>
<td>(82,620)</td>
<td>–</td>
<td>(82,620)</td>
</tr>
<tr>
<td>Transferred to or (from) Reserves</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2018</strong></td>
<td>377,298</td>
<td>175,000</td>
<td>552,298</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2018

<table>
<thead>
<tr>
<th>Notes</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Government Grants received</td>
<td>1,085,882</td>
<td>973,002</td>
</tr>
<tr>
<td>Interest Received</td>
<td>15,004</td>
<td>17,922</td>
</tr>
<tr>
<td>Other Grants/Income</td>
<td>2,033,473</td>
<td>1,311,598</td>
</tr>
<tr>
<td>Project Grant Costs</td>
<td>(1,304,065)</td>
<td>(752,901)</td>
</tr>
<tr>
<td>Payments to Employees and Suppliers</td>
<td>(1,129,221)</td>
<td>(1,670,461)</td>
</tr>
<tr>
<td><strong>Net cash used in operating activities</strong></td>
<td>(701,073)</td>
<td>(120,840)</td>
</tr>
<tr>
<td><strong>Cash flow from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) decrease in term deposits</td>
<td>(1,221)</td>
<td>607,232</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) investing activities</strong></td>
<td>(1,221)</td>
<td>607,232</td>
</tr>
<tr>
<td>Net increase/(decrease) in cash held</td>
<td>699,852</td>
<td>486,392</td>
</tr>
<tr>
<td>Cash at beginning of year</td>
<td>1,100,248</td>
<td>613,856</td>
</tr>
<tr>
<td><strong>Cash at end of year</strong></td>
<td>1,800,100</td>
<td>1,100,248</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

The financial statements cover the Australian Federation of AIDS Organisations Limited as an individual entity. The financial statements are presented in Australian Dollars, which is AFAO's functional and presentation currency.

The Australian Federation of AIDS Organisations is a not-for-profit unlisted public company limited by guarantee. The Federation is registered with the Australian Charities and Not-for-profits Commission as a charity.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 September 2018. The Board of Directors has the power to amend and reissue the financial statements.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation
The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012. The Federation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Income Tax
As a charitable institution for the purposes of Subdivision 50–5 of the Income Tax Assessment Act 1997, the Federation is exempt from income tax.

b. Property, Plant and Equipment

Plant and equipment
Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Federation and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.
**Depreciation**

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset’s useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The assets’ residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing net proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they occur.

c. **Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

d. **Impairment of Assets**

At the end of each reporting period, the Federation assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset’s fair value less costs of disposal and value in use, to the asset’s carrying amount. Any excess of the asset’s carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Federation estimates the recoverable amount of the cash-generating unit to which the asset belongs.

e. **Employee Benefits**

**Short-term employee benefits**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

**Other long-term employee benefits**

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**Defined contribution superannuation benefits**

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.
f. Cash and Cash Equivalents

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

g. Trade and Other Receivables

Trade and other receivables include amounts due from members as well as amounts receivable from third parties. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non–current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

h. Revenue and Other Income

Non–reciprocal grant revenue is recognised in profit or loss when the Federation obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the Federation and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the Federation incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The Federation receives non–reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

i. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.
j. Comparative Figures

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

k. Trade and Other Payables

Accounts payable and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by the Federation during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

l. Provisions

Provisions are recognised when the Federation has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

m. Foreign Currency Transactions and Balances

Foreign currency transactions during the year are converted to Australian dollars at the rates of exchange applicable at the dates of the transactions. Assets and liabilities in foreign currencies at balance date are converted at the rates of exchange ruling at that date. Exchange difference arising on transactions of foreign currencies are recognised in profit and loss.

n. Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated in the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Federation.

(I) Key Judgements

Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the Federation expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the Federation believes that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.
**NOTE 2: REVENUE AND OTHER INCOME**

<table>
<thead>
<tr>
<th>Grants – Department of Health:</th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dept. of Health – Health Peak and Advisory Bodies Program</td>
<td>375,000</td>
<td>375,000</td>
</tr>
<tr>
<td>Dept. of Health – Communicable Disease Prevention and Service Improvement Program</td>
<td>568,182</td>
<td>568,182</td>
</tr>
<tr>
<td>Dept. of Heath – World AIDS Day Parliamentary Breakfast Sponsorship</td>
<td>30,200</td>
<td>29,820</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>973,382</strong></td>
<td><strong>973,002</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>The Global Fund – Asia Multicountry HIV Grant – Support for Regional and In-Country Consultations</td>
<td>43,190</td>
<td>5,483</td>
</tr>
<tr>
<td>The Global Fund – Sustainable HIV Financing in Transition (SHIFT)</td>
<td>1,074,261</td>
<td>625,272</td>
</tr>
<tr>
<td>The Global Fund – Technical Assistance Projects</td>
<td>42,026</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,159,477</strong></td>
<td><strong>630,755</strong></td>
</tr>
</tbody>
</table>
NOTE 3: EXPENSES

Surplus/(deficit) before income tax includes the following specific expenses:

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Remuneration paid to LBW and Partners for professional services:

| Auditing or reviewing the financial report: paid to LBW & Partners | 10,000   | 15,055   |
| Other Services paid to LBW & Partners                         | 500      | 1,000    |

Rental expenses relating to operating lease for AFAO Newtown Office | 116,857  | 113,701  |

Defined contribution superannuation expenses | 67,391   | 67,020   |

NOTE 4: CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Cash at bank (AUD Bank Accounts) | 411,082  | 271,659  |
Cash at bank (USD Bank Account - US$670,290 at 30 June 2018) | 905,214  | 354,763  |
Short-term bank deposits (up to 3 months) | 482,804  | 472,826  |
Cash on hand | 1,000    | 1,000    |

Reconciliation of cash
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the balance sheet as follows:

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Cash and cash equivalents | 1,800,100 | 1,100,248 |

1,800,100 1,100,248
NOTE 5: TRADE AND OTHER RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member Organisations</td>
<td>5,500</td>
<td>2,485</td>
</tr>
<tr>
<td>Health Sector Organisations</td>
<td>1,500</td>
<td></td>
</tr>
<tr>
<td>Other – International</td>
<td>16,747</td>
<td></td>
</tr>
<tr>
<td>Disbursement to Global Fund SHIFT Sub-Recipients</td>
<td>10,786</td>
<td></td>
</tr>
<tr>
<td>AFAO staff – cash advance for work related expenses</td>
<td>4,803</td>
<td></td>
</tr>
<tr>
<td></td>
<td>39,336</td>
<td>2,485</td>
</tr>
</tbody>
</table>

NOTE 6: PROPERTY, PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th></th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office furniture at cost</td>
<td>4,496</td>
<td>4,496</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(3,285)</td>
<td>(2,387)</td>
</tr>
<tr>
<td>Total office furniture</td>
<td>1,211</td>
<td>2,109</td>
</tr>
</tbody>
</table>

Leasehold improvements

<table>
<thead>
<tr>
<th></th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>At cost</td>
<td>113,714</td>
<td>113,714</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(86,968)</td>
<td>(64,225)</td>
</tr>
<tr>
<td>Total Leasehold Improvements</td>
<td>26,746</td>
<td>49,489</td>
</tr>
</tbody>
</table>

Total Property, Plant and Equipment

<table>
<thead>
<tr>
<th></th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>27,957</td>
<td>51,598</td>
</tr>
</tbody>
</table>

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

<table>
<thead>
<tr>
<th></th>
<th>Leasehold Improvements $</th>
<th>Office Furniture $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of the year</td>
<td>49,489</td>
<td>2,109</td>
<td>51,598</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>(22,743)</td>
<td>(898)</td>
<td>(23,641)</td>
</tr>
<tr>
<td>Carrying amount at the end of year</td>
<td>26,746</td>
<td>1,211</td>
<td>27,957</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED 30 JUNE 2018

NOTE 7: TRADE AND OTHER PAYABLES

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>CURRENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade Payables</td>
<td>186,325</td>
<td>33,289</td>
</tr>
<tr>
<td>GST Payable (Recoverable)</td>
<td>6,201</td>
<td>(6,864)</td>
</tr>
<tr>
<td>PAYG Tax</td>
<td>12,646</td>
<td>11,078</td>
</tr>
<tr>
<td>Superannuation and Employee Benefits</td>
<td>6,087</td>
<td>4,795</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>211,259</td>
<td>42,298</td>
</tr>
</tbody>
</table>

NOTE 8: GRANTS IN ADVANCE

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>International Program Grants</td>
<td>917,046</td>
<td>361,029</td>
</tr>
<tr>
<td>Other Grants</td>
<td>211,339</td>
<td>132,458</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,128,385</td>
<td>493,487</td>
</tr>
</tbody>
</table>

NOTE 9: RESERVES

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Opening balance</td>
<td>175,000</td>
<td>119,122</td>
</tr>
<tr>
<td>Transfer (to) from retained earnings</td>
<td>–</td>
<td>55,878</td>
</tr>
<tr>
<td><strong>Balance at end of the year</strong></td>
<td>175,000</td>
<td>175,000</td>
</tr>
</tbody>
</table>

Reserves represent funds set aside by the Board of Directors for any possible redundancy in future.
NOTE 10: ECONOMIC DEPENDENCY

The Australian Federation of AIDS Organisations Limited is reliant upon continuing government and major donor funding to operate as a going concern.

NOTE 11: KEY MANAGEMENT PERSONNEL COMPENSATION

2018  2017

$      $      

Key management personnel compensation
537,983 489,499

537,983 489,499

NOTE 12: OPERATING LEASE COMMITMENTS

Non-cancellable operating leases contracted for but not capitalised in the financial statements

2018  2017

$      $      

Payable – minimum lease payments
– not later than 12 months

– 56,850

– 56,850

NOTE 13: EVENTS AFTER THE BALANCE DATE

No material events that affect the Federation or these financial statements have occurred since balance date requiring disclosure.

NOTE 14: FEDERATION DETAILS

The registered office of the Federation is:

The Australian Federation of AIDS Organisations Limited
Level 1, 222 King Street, Newtown NSW 2042
DIRECTORS’ DECLARATION

In the directors’ opinion:

• the attached financial statements and notes comply with the Australian Charities and Not-for-profits Commission Act 2012, the Australian Accounting Standards - Reduced Disclosure Requirements and other mandatory professional reporting requirements;

• the attached financial statements and notes give a true and fair view of the Federation’s financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and

• there are reasonable grounds to believe that the Federation will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

On behalf of the directors

Bridget Haire
President

Mark Orr
Vice President

Dated this 27th day of September 2018
Australian Federation of AIDS Organisations Limited
ABN: 51 708 310 631

Independent Audit Report to the members of Australian Federation of AIDS Organisations Limited


Opinion

We have audited the accompanying financial report of Australian Federation of AIDS Organisations Limited (the Company), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors’ declaration.

In our opinion, the accompanying financial report of Australian Federation of AIDS Organisations Limited has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

(a) Giving true and fair view of the Company’s financial position as at 30 June 2018 and of its financial performance for the year the ended; and

(b) Complying with Australian accounting standards – Reduced Disclosure Requirements, and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the Australian Charities and Not for Profits Commission Act 2012 and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We confirm that the independence declaration required by the Australian Charities and Not for Profits Commission Act 2012, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor’s report.

We confirm that the independence declaration required by the Australian Charities and Not-for-Profits Commission Act 2012, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor’s report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
Australian Federation of AIDS Organisations Limited

ABN: 91 708 310 631

Independent Audit Report to the members of Australian Federation of AIDS Organisations Limited

Responsibilities of Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-Profits Commission Act 2012 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company’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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located in the auditing and Assurance Standards Board website at: http://www.auastb.gov.au/Home.aspx. This description forms part of our auditor’s report.

Rupaninga Dhamasiri
Partner
LBW & Partners
Chartered Accountants
Level 3, 845 Pacific Highway
CHATSWOOD NSW 2067

Dated this 28th day of September 2018