

A stylized map of Australia is rendered in orange with a hatching pattern, set against a dark grey background. The map is composed of several large, irregular shapes that form the outline of the continent, with some internal details like the Torres Strait Islands and the Northern Territory. The hatching consists of parallel lines of varying lengths and orientations, creating a textured effect.

# afao

AUSTRALIAN FEDERATION  
OF AIDS ORGANISATIONS

**Annual Report 2019**



BUILDING AND SUSTAINING  
CONNECTION  
WITH COMMUNITIES

**afao**  
Leading the community  
response to AFD

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"ALL OF THIS WORK  
TO IMPROVE OUR  
GOVERNANCE AND  
COMMUNICATION  
STEMS FROM A BASIC  
INSIGHT: THE WHOLE OF  
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# PRESIDENT'S REPORT 2018/19

IN NOVEMBER LAST YEAR I WAS PRIVILEGED TO TAKE ON THE PRESIDENCY OF AFAO.

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Since then, I have been struck by the professionalism, commitment and insight of AFAO's staff and its broader family of members, supporters and advocates.

I am fortunate to follow a formidable predecessor, Dr Bridget Haire. Bridget steered AFAO through an extremely challenging period when its capacity was hampered by funding constraints. However, having seen AFAO through arguably its lowest point, Bridget also presided over some of the organisation's highest points, notably the leading role AFAO played in listing PrEP on the Pharmaceutical Benefits Scheme and its rapidly growing international program. As an organisation and sector, we owe Bridget a huge debt of gratitude.

My period as President has focused on better supporting our members by giving them greater and more frequent insight into our decision making. In the year passed, we have increased our engagement with presidents and CEOs of our members. This is not only important for reporting our work but for securing input and understanding what our members value.

Our governance processes have also been boosted by a regular leadership caucus, held during the final day of our members' meetings, with member presidents and chief executives. These meetings allow us all to better target the work we do, by providing a line of sight and improved coordination of activities. Our decision making and clarity of vision was also strengthened by our Board retreat in April, ably facilitated by AFAO's longstanding friend, Michael Woodhouse.

AFAO hosted a valuable panel discussion at our May members' meeting on political advocacy. This included the CEO of the Mental Health Coordinating Council, Carmel Tebbutt, NDIS quality and safeguards commissioner, Graeme Head, a former advisor to the federal health minister, Alex Best and the *Sydney Morning Herald* health editor Kate Aubusson. This lively and informative discussion impressed on all of us the importance of a clear pitch and a compelling case when dealing with time-starved decision makers.

All of this work to improve our governance and communication stems from a basic insight: the whole of our sector is much greater than the sum of its parts. This is at the heart of the *Collective Strength 2.0* project. Clear communication and coordination across our jurisdictions are driving a more sophisticated approach and better outcomes.

As our CEO's report outlines, we continue to see progress in reducing the number of HIV infections in Australia, partly as a result of decisions (such as



# PRESIDENT'S REPORT (CONT.)

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regarding PrEP) for which AFAO has advocated. These welcome results also follow our sector's determination to keep central to the Australian epidemic response our models of partnership, the centrality of the voice of affected communities and peer-based service delivery as central. This is evident also in the new *National HIV Strategy 2018-2022*, arguably the strongest for many years.

We have also, however, had to confront in recent data that there are minority experiences of the epidemic which are not benefiting to the same extent. These include for example, Asian born gay men and Aboriginal and Torres Strait Islander people. We have had to confront that the funding to really extend our community-based response in every region is not forthcoming (notwithstanding great funding outcomes we have achieved). And we need to remain vigilant and articulate that preventing infections is both dependent on and complementary to winning a better deal for HIV positive people, in the face of continued discrimination, stigma and marginalisation.

These realities figured in our Board retreat and in many of our conversations across the sector. Collective Strength means addressing these challenges together. It also means thinking about our sector organisations' long-term future. We have started a vision to 2030 discussion for ourselves and are keen to do so in the sector. We have fantastic, community-based health organisations that we want to grow, and we need to avoid either-or thinking, such as whether we can care for our HIV specific sensitivities and serve the health needs and rights of LGBTIQ people, users or sex workers.

We will continue to advocate as the national peak in HIV and for our members and will use every opportunity in our sector to facilitate these important and evidence-based conversations re our sector's progress and position in Australia.

AFAO was able to support several of our members through difficult challenges this year, stepping in to assist when most needed. We also expanded the AFAO family, welcoming new affiliates into our fold – Australian Research Centre in Sex Health and Society (ARCSHS), Burnet Institute, Global Health Alliance and Kirby Institute, UNSW.

AFAO's commitments in the region were bolstered this year through an agreement with the AFAO Foundation, which supports the work of AFAO's team in Bangkok. I thank the Board members of the AFAO Foundation for their time and efforts in support of our mission.

Our CEO's report covers well the extraordinary work done in this year past to close out our previous SHIFT program in the region and to lean into the extraordinary opportunity presented by the *multiyear Sustainability of HIV Services for Key Populations in Asia* (SKPA) Program grant from the Global Fund. This has been a huge amount of very hard work for our staff, including substantial capability and capacity building in Bangkok, supported from our Sydney-based staff.

I also want, finally, to report the strong awareness of my Board colleagues of challenges for members of our communities in many of our regional neighbours. Our international HIV work has introduced us to fantastic people and organisations, and we stand with them in their struggles for human rights and healthy futures for their communities.

I thank AFAO's directors for their vision, stewardship and care of AFAO, and our members for their continued support for our mission. I especially want also, on all our members and my Board's behalf, to thank our fantastic CEO, Darryl O'Donnell, and his extraordinary team for their amazing work on behalf of our sector. They inspire us at least as much as we desire to offer them strategic direction and support.

**National President**  
**Mr Robert Grieve**

# CEO'S REPORT

## FIGHTING STIGMA, REDUCING TRANSMISSION

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The 2018/19 period was defined by substantial progress in HIV prevention, testing and treatment, powered by the very communities who have lived the HIV epidemic.

As 2018/19 came to an end, our communities joined with the Kirby Institute to announce the lowest number of new HIV transmissions since 2001. Newly available medicines such as PrEP played a profound role in this success and build upon the enduring mobilisation and peer-led efforts of our members and their communities.

Three and a half decades' experience teach us that the crucial ingredient in fighting an epidemic is the effort and insight of those who bear its burden. The upsurge in testing among gay and bisexual men was powerful evidence our communities are mobilised. Normalising testing for all who require it demands that we continue to chip away at prejudice and ignorance.

Making continued progress among gay and bisexual men will take great effort. The steps before us are clear and the promise of further rapid declines in HIV incidence are real. However, it would be a grave mistake for us to turn away prematurely in the belief that the work is done. We must all remain focused on the task and hold governments and decision-makers to account for their continuing responsibilities.

Our simultaneous challenge is to tackle growing HIV transmission among Aboriginal and Torres Strait Island communities and among culturally and linguistically diverse communities. Patterns of transmission among these communities are diverse and include sex between men, injecting drug use and sex between men and women.

To that end, the Australian Government's release of a dedicated eighth *National HIV Strategy* and fifth *National Aboriginal and Torres Strait Islander BBV and STI Strategy* is critically important. AFAO and our partners and members can be proud of these policies for their strong statements of commitment and direction. At our request, Australia's Health Minister, the Hon Greg Hunt MP, launched the new BBV and STI strategies at our World AIDS Day breakfast, at Parliament House, Canberra, on November 28.

Our sector's vibrant and united parliamentary advocacy also helped secure the greatest funding boost to prevent and treat sexually transmitted infections and blood-borne viruses in two decades, with Minister Hunt committing to a \$45 million increase over four years in the May budget. Additionally, we saw renewed commitments across the political spectrum in responses to our federal election survey.

Self-testing became a reality in 2018/19 with the registration of Australia's first test, a single-use finger-prick device. This was also the fruit of sustained advocacy and negotiation. This device and others like it will make HIV testing more accessible and convenient, especially for those who need to test regularly.

AFAO re-commenced its national health promotion program at scale during the year with our *Get PrEP'd* campaign, which focuses on gay and bisexual men who are eligible for PrEP but not yet accessing it.

We shifted gears this year on the international front, concluding the successful *Sustainable HIV Financing in Transition* (SHIFT) program and launching the *Sustainability of HIV Services for Key Populations in Asia* (SKPA) program.

## CEO'S REPORT (CONT.)

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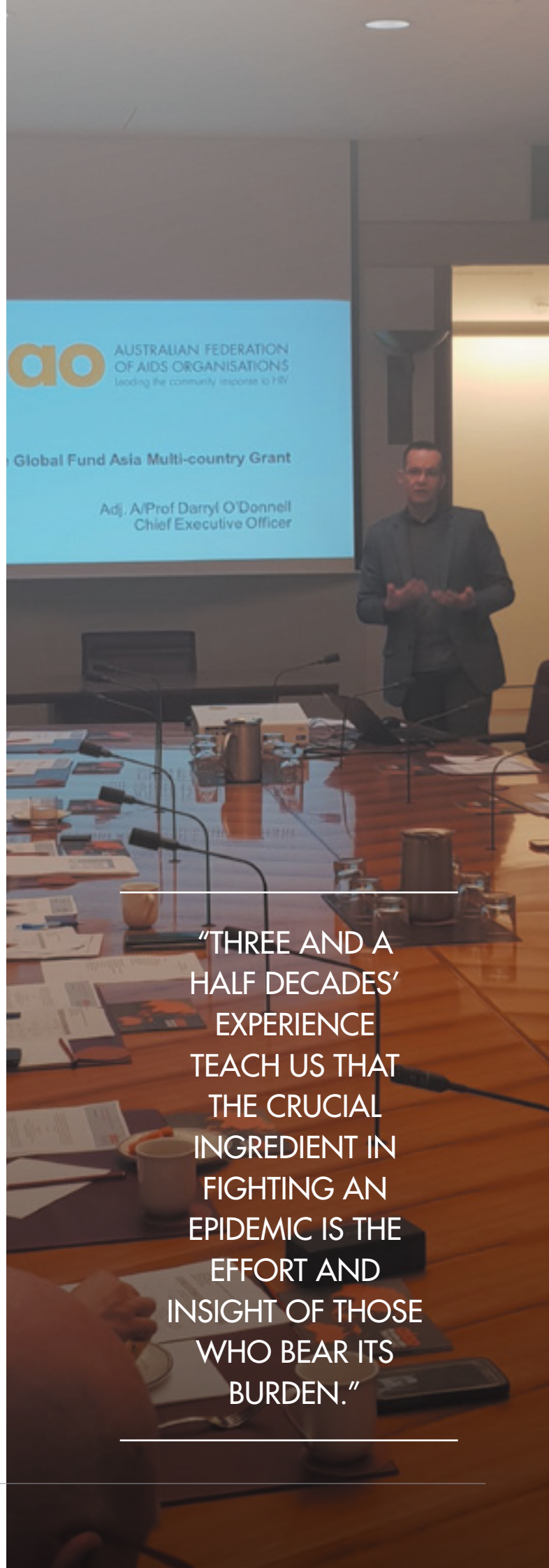
Over two years, SHIFT built advocacy for sustainable and strategically allocated HIV funding in Indonesia, Malaysia, the Philippines and Thailand, concluding in December 2018. Highlights of the program included intensive advocacy preceding passage of the National HIV and AIDS Policy Act in the Philippines, formation of civil society coalitions on HIV financing in two Indonesian cities, development of city-level investment plans for six cities in the Philippines and the development of civil society financing experts and government actors sensitised to HIV financing in Malaysia and Thailand.

While we are sad to see SHIFT conclude, we are working with gusto to achieve great results in the SKPA program. Working with sub-recipients in Bhutan, Lao PDR, Malaysia, Mongolia, Papua New Guinea, the Philippines, Sri Lanka and Timor-Leste, this USD\$12.5 million program aims to lower barriers to innovations such as PrEP and self-testing, combat stigma and discrimination, and drive the scale-up of programs for our communities.

I thank all AFAO's staff, in Australia and Thailand, for their energy, efforts and unswerving belief in our mission on behalf of members.

**CEO**

**Adjunct A/Prof. Darryl O'Donnell**



**"THREE AND A  
HALF DECADES'  
EXPERIENCE  
TEACH US THAT  
THE CRUCIAL  
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EPIDEMIC IS THE  
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WHO BEAR ITS  
BURDEN."**







# INTERNATIONAL PROGRAM

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## SHIFT CLOSE-OUT 2019

The *Sustainable HIV Financing in Transition* (SHIFT) program was a two-year Global Fund funded advocacy program that worked towards sustainable, cost-effective and strategically allocated funding for the HIV response in Indonesia, Malaysia, the Philippines and Thailand from January 2017 to December 2018.

In the period January to June 2019, the SHIFT program underwent close-out. This process saw country and regional program partners finalise remaining program outputs and associated expenditure. Final progress reports of the deliverables and budget utilisation were also completed by country and regional partners. This was followed by an internal audit of partners and AFAO. Finally, AFAO has evaluated the program to assess its impact and document its lessons.

The evaluation found that the project objectives of the SHIFT program were achieved. Conducted with all program partners, the evaluation identified major achievements in integrating sustainable funding and community-led approaches into the HIV response. Advocacy achievements include the development of sustainable civil society coalitions. These coalitions were integrated into decision making bodies and processes in the local and national HIV funding and strategic plans, allowing representatives of communities most affected by HIV – men who have sex with men, transgender women, sex workers and people who use drugs to be involved in and influence decision making especially on HIV funding allocations.

Another success of the program was in providing training and strategic information on health financing and HIV funding processes to community members and advocates, equipping community actors with technical know-how and capacity for informed advocacy through their everyday work. Ground-breaking examples from SHIFT include the passing of the National HIV and AIDS Policy Act in the Philippines, formation of civil society coalitions on HIV financing in two cities in Indonesia, development of city-level investment plans for six cities in the Philippines, and the development of civil society financing experts and government actors sensitised to HIV financing in Malaysia and Thailand. Despite the short duration of

the program, just two years, the changes it generated have led to more meaningful participation of civil society organisations in financing discussions and to the sustainability of the national HIV responses.

SHIFT was created for sustainability. Many of its achievements – like the immense motivation towards sustainable financing, the cadre of government and civil society staff who have been sensitised, the development of indicators to continue measuring progress towards sustainable HIV financing, the establishment of civil society coalitions engaged in national and sub-national advocacy, and the integration of project components in organisational and national strategic plans – will live on.

## SKPA PROGRAM COMMENCEMENT

In 2019, AFAO commenced the implementation of the *Sustainability of HIV Services for Key Populations in Asia* (SKPA) program. The program aims to promote sustainable services for key populations at scale to end HIV transmissions and AIDS-related deaths by 2030.

To achieve this goal, global partners in the HIV response aim to achieve 90% of people with HIV aware of their HIV status, 90% of those diagnosed on treatment, and 90% of those on treatment with viral suppression (commonly referred to as the 90-90-90 targets). SKPA is supporting key populations working with community, government, development agencies, technical agencies and other partners to meet these goals.

The program is funded by the Global Fund. As principal recipient, AFAO leads the program with community-based sub-recipients in program countries and regional key population networks. The program countries are Bhutan, Lao PDR, Malaysia, Mongolia, Papua New Guinea, the Philippines, Sri Lanka and Timor-Leste. The total program budget over three years is USD\$12.5 million.

Each of the countries will have to overcome significant challenges to achieve the 90-90-90 targets. Among key populations, testing and treatment coverage lags overall population rates.

# INTERNATIONAL PROGRAM (CONT.)

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Some of the challenges to achieving sustainable services for KPs at scale to end HIV transmissions and AIDS-related deaths by 2030 include:

- Financing and programming gaps;
- Inadequate technical expertise to develop and utilise strategic information for well-targeted programming;
- Weak capacity, infrastructure and support for civil society and among key population networks to provide leadership and work in partnership to advocate for policy change and implement effective programs;
- Human rights infringements, often including criminalisation of key populations, creating barriers to service access and delivery.

SKPA seeks to identify barriers to scale-up and implement targeted actions to address those barriers across the thematic areas of financing, strategic information, service delivery, community system strengthening and enabling environments.

## PROGRAM SUB-RECIPIENTS

The sub-recipients in the program are Save the Children in Bhutan, the Ministry of Health and LaoPHA in Lao PDR, Youth for Health in Mongolia, the Burnet Institute in Papua New Guinea, Love Yourself in the Philippines, the Family Planning Association in Sri Lanka, and Estrella+ in Timor-Leste.

Regionally, our sub-recipients are the Asia Pacific Network of People Living with HIV/AIDS, the Asia Pacific Transgender Network, APCOM, the Asia Network of People who Use Drugs and the Asia Pacific Network of Young Key Populations, Youth Lead.

## 2019 PRIORITIES

*Review of KP services:* In 2019 a review of key population services is being undertaken in five countries to identify barriers to service scale up and develop a roadmap to redress these barriers. These roadmaps will include measures to facilitate service redesign where necessary, including the introduction and scale up of innovative interventions such as PrEP, self-testing and community-based testing as well as address policy, financial, strategic information, enabling environment and capacity gaps.

*Gender assessment for addressing gender related barriers:* A gender assessment will be undertaken in seven countries. Based on this assessment, a costed plan will be developed to address gender-related barriers for key populations, including the specific needs of transgender people, women who use drugs and male and transgender sex workers.

*Community-based monitoring:* Community-based monitoring is a process by which key populations gather and use information on service provision or local conditions in order to improve the quality of services and hold service providers accountable. APCOM will assist sub-recipients to implement simple and sustainable monitoring tools that allow for rapid intelligence gathering among key populations to understand emerging issues, inform education messaging and program targeting and assess service quality and acceptability.

*Stigma and discrimination reduction:* HIV-related stigma and discrimination hinders people living with HIV from leading healthy and productive lives and prevents key populations from accessing HIV testing and treatment. Negative attitudes among health care providers and incomplete knowledge in relation to sexual orientation, gender identity and the behaviours of key populations impede retention in services. APN+, in collaboration with GNP+ and UNAIDS, will work with country sub-recipients and stakeholders to implement health care worker training and feedback mechanisms.

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Demand generation: Across all SKPA countries, comprehensive knowledge about HIV and HIV testing among MSM is less than fifty percent. APCOM will help country partners drive strong locally tailored health messaging through social media to reduce fear and stigma and promote HIV testing and other services.

Country identified priority interventions: In each SKPA country, there are additional activities being undertaken to promote the scale up of services.

Examples include:

- Peer-led demand creation and service re-orientation to increase treatment uptake and reduce loss to follow-up in Lao PDR;
- Piloting of HIV screening and treatment models, and increased access to prevention and support for people who inject drugs in the Philippines;
- Trans-friendly service re-design informed by trans focus group discussions, supported by APTN, in Sri Lanka;
- Capacity strengthening for Estrella+ for service delivery and sustainability in Timor-Leste.





# AUSTRALIA PROGRAM

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In November 2018, Australia's first HIV self-test was registered, and the device entered the market in April 2019. This followed intensive advocacy and engagement by AFAO with the manufacturer of the device and the Therapeutic Goods Administration (TGA). Following registration, AFAO worked with the TGA to ensure AFAO's members could make the test directly available to their communities.

Easy and low-cost access to HIV testing at home could be a game changer as it offers a new option for those who will not access testing through clinical services or who may want to supplement their regular tests with more convenient testing at home. We know that barriers continue to exist to HIV testing in clinical services, including cost, travel and time, alongside fears and misconceptions about HIV and what a positive diagnosis may mean. Advocacy on HIV self-tests is not yet over, with the initial registration including a number of restrictions on sale including the test not being available for purchase in pharmacies.

This financial year saw the Australian Government launch a new suite of National BBV and STI strategies, with AFAO playing a central role in the development of these guiding documents. We received strong input from AFAO members and affiliates and worked effectively with national peaks in our advocacy. The results show.

The eighth *National HIV Strategy 2018-2022* is the strongest it has been for some time. It includes ambitious time-bound targets for the virtual elimination of HIV transmission, new measurable targets for stigma and discrimination and quality of life, more direct language on strategic priorities, the recognition of AFAO and other peaks as representatives of our members and their communities and solid statements on criminalisation and the enabling environment. AFAO continues to work with members and the Department of Health to develop implementation plans for the strategies.

High demand for PrEP continues to be evident. During the year, state and territory access trials wound down as PrEP users transitioned to publicly subsidised access. By end December 2018, there were an estimated 18,350 people receiving PrEP access through the Pharmaceutical Benefits Scheme.

Increasingly gay men and others are adopting on-demand PrEP in preference to daily PrEP. AFAO has worked closely with members to ensure communities have accurate information about the effectiveness of on-demand PrEP. We released a fact sheet outlining the evidence for its use, who can most benefit from it and how to use PrEP safely on demand.

The 2019 federal election campaign marked the culmination of AFAO's intensive policy engagement with Australia's major parties throughout the 45th Parliament. Our federal election surveys asked them to outline their positions on priorities for our members and their communities. These included funding for the national HIV response, engaging 'hidden' populations, responding to HIV and STIs among Aboriginal and Torres Strait Islander people, HIV treatment access for people who are ineligible for Medicare, infectious diseases research, anti-discrimination measures and blood donation deferral period. The survey also included questions on Australia's international HIV response, including on the replenishment of the Global Fund to Fight AIDS, Tuberculosis and Malaria, and the 2021 UN High Level Meeting on HIV and AIDS.

The strong financial and policy commitments reflect continuing political re-engagement across the political spectrum. AFAO initiated a new political program immediately on the commencement of the new Parliament and will continue that program at the core of its efforts.

AFAO's political engagement is informed by its ongoing policy analysis. During 2018/19 AFAO and NAPWHA provided a joint submission to the Royal Commission into Aged Care Quality and Safety focused on the experiences of people living with HIV who were aging,

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HIV prevention and treatment, discrimination and sex work in aged care settings.

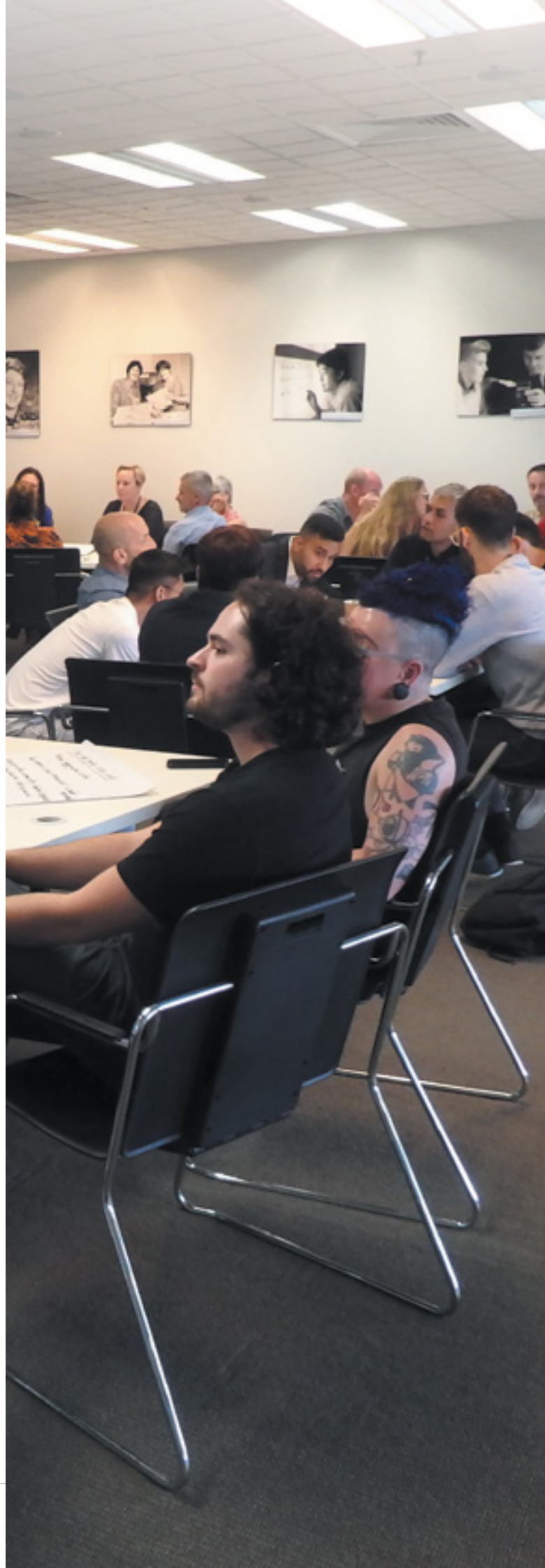
AFAO also worked closely with members and the TGA on proposed changes to the classification of alkyl nitrites. The TGA's reversal of an interim decision ensures gay and bisexual men can access alkyl nitrites without fear of criminal prosecution.

AFAO continues to advocate for changes to Australia's outdated blood donation deferral policy. This work is ongoing, and it is hoped the deferral period will be updated during the coming year to reflect contemporary evidence and end the needless exclusion of those who can donate safely.

As a peak organisation, AFAO strives to be especially close to its members and responsive to their priorities. Our biannual members' meetings were well attended and provided opportunity for representatives from the community workforce, researchers and clinicians to come together to discuss issues, share information and learn about new developments in research and programming.

*HIV Australia*, AFAO's flagship publication, complemented this participation with essays, blogs and podcasts for community members and the community workforce. *HIV Australia* covered issues including on-demand PrEP, self-testing, ageing and mobility and many others. *HIV Australia*, along with AFAO's research briefs, factsheets and policy papers, are a resource for our members' workforces and the wider sector.

AFAO farewelled Leila Stennett in September 2018 and welcomed James Gray for a temporary role during September to December. In December 2018, AFAO welcomed a policy analyst, Angus Molyneux and, in April 2019, a capacity development advisor, Min Fuh Teh.



# HEALTH PROMOTION

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AFAO has welcomed funding for 2018/19 and 2019/20 from the Department of Health for a national digital campaign to promote PrEP. This campaign focuses on gay and other men who have sex with men, especially Aboriginal and Torres Strait Islander men, men of culturally diverse backgrounds, men and masc people of trans experience and men from rural and regional communities. The campaign also includes health promotion resources for other populations not currently using PrEP.

The PrEP campaign has been informed by existing research and literature, and by new market research commissioned through the project, including with sub-populations of gay and other men who have sex with men. The market research explored barriers to these men using PrEP and has shaped website content, video content and the advertising messaging of the campaign.

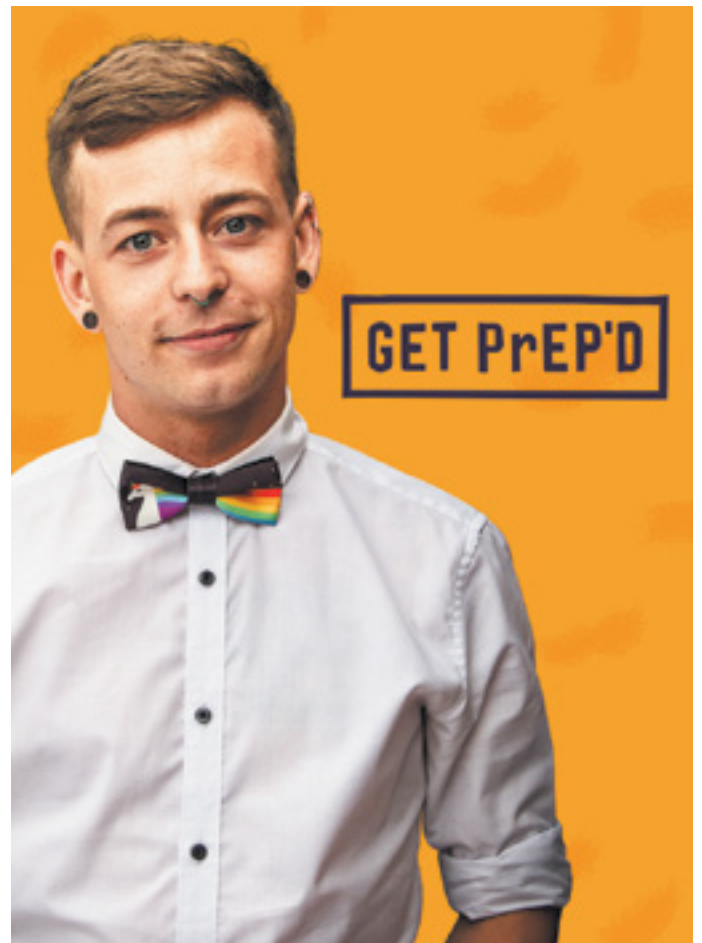
The campaign, *Get PrEP'D* ([www.getprepd.org.au](http://www.getprepd.org.au)), was launched in early March 2019. It features five PrEP users from across the different campaign elements (website, videos, advertisements, social media) to show the diversity of men's experiences. These include an Aboriginal man, an Asian man, a South American man, a man of trans experience and a man from rural Australia.

Video content is a key component of the campaign. Two videos were launched this financial year, including an animated PrEP explainer video. Further videos featuring the men sharing their stories will be launched in 2019/20. The campaign continues to receive positive engagement and responses from the community.

The website and other content, including video captions, will be translated into Thai and Spanish in 2019/20.

AFAO is working with our members, affiliates and other partners to support their local implementation. This includes the amplification of campaign products through local digital channels (websites, social media and other promotions) and offline channels, including events and peer education.







# WORLD AIDS DAY PARLIAMENTARY BREAKFAST 2018

THE ANNUAL WORLD AIDS DAY PARLIAMENTARY BREAKFAST HIGHLIGHTS AUSTRALIA'S WORLD-LEADING AND ONGOING COMMUNITY-LED RESPONSE TO HIV AND AIDS.

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All federal parliamentarians are invited to attend. AFAO coordinates the breakfast in collaboration with the National Association of People with HIV Australia and Pacific Friends of the Global Fund to Fight AIDS, Tuberculosis and Malaria.

The breakfast is Australia's centrepiece event for educating policy and decision-makers, including parliamentarians and senior officials, about Australia's domestic and international commitment to HIV and AIDS.

AFAO, NAPWHA and Pacific Friends hosted the 2018 World AIDS Day parliamentary breakfast at Parliament House in Canberra on 29 November. It was moderated by ABC journalist Jeremy Fernandez.

This year's breakfast was well received with the Minister for Health, the Hon Greg Hunt MP, announcing the TGA's registration of Australia's first HIV self-test. Minister Hunt also launched the new suite of national BBV and STI strategies, including the eighth *National HIV Strategy 2018-2022*, and funding for its implementation.

## SPEAKERS AT THE BREAKFAST INCLUDED:

- Senator the Hon Marise Payne, Minister for Foreign Affairs
- Senator the Hon Penny Wong, Shadow Minister for Foreign Affairs
- The Hon Greg Hunt MP, Minister for Health
- 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.

## THE BREAKFAST WAS ATTENDED BY AROUND 120 GUESTS, INCLUDING AROUND 30 PARLIAMENTARIANS. GUESTS INCLUDED:

- Senator the Hon Simon Birmingham, Minister for Trade, Tourism and Investment
- The Hon Tanya Plibersek, Deputy Leader of the Opposition
- The Hon Mark Dreyfus QC MP, Shadow Attorney General
- His Excellency Vice Admiral (Retired) Paul Maddison CMM, MSM, High Commissioner of Canada in Australia

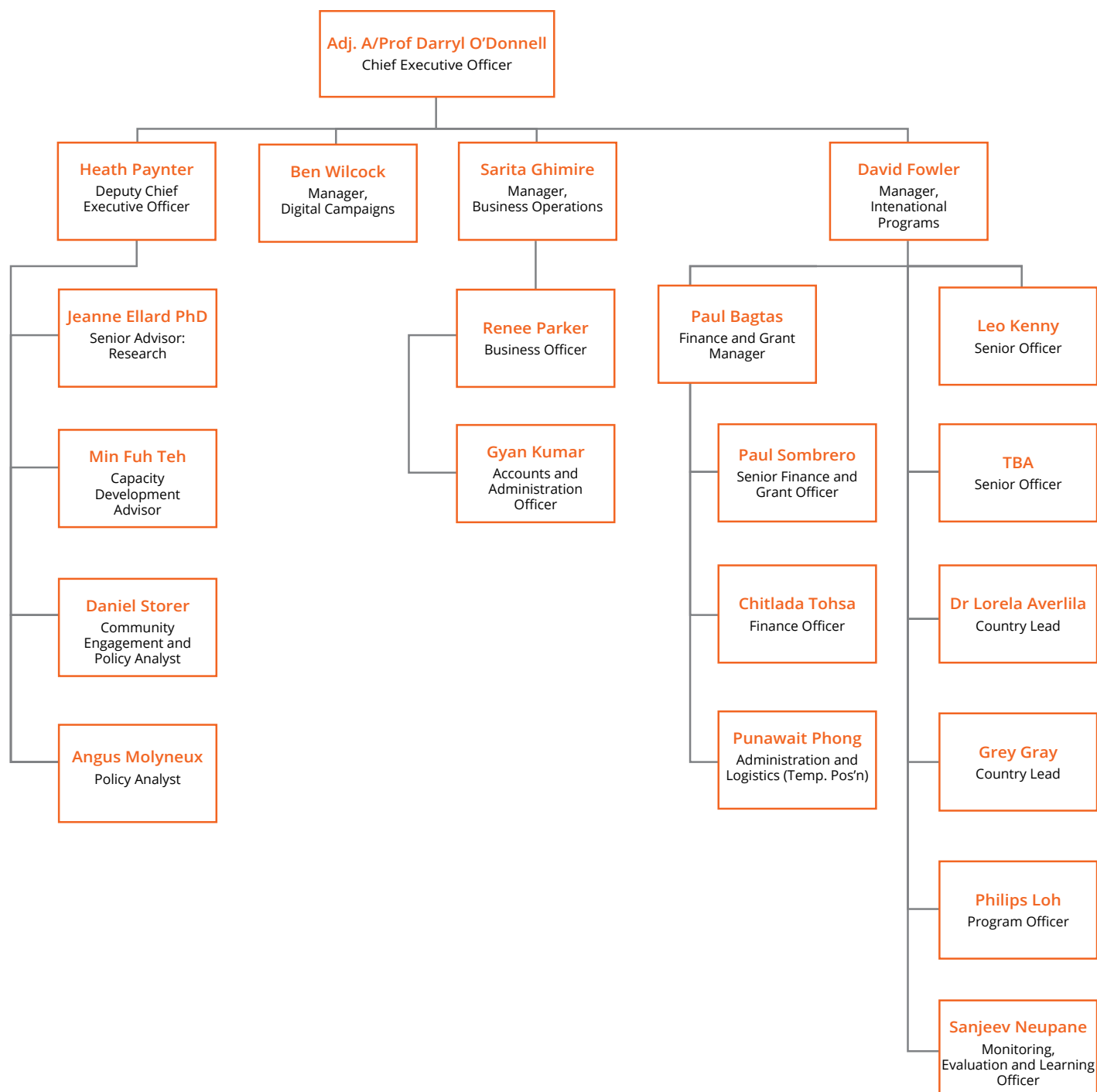
## AN EXPERT PANEL DISCUSSED CHALLENGES AUSTRALIA FACES AS WE WORK TOWARDS OUR GOAL OF ENDING HIV TRANSMISSION:

- Mr Colin Ross, board member, Anwernekenhe National HIV Alliance
- Mr David Menadue OAM, HIV positive speaker and board member, AFAO
- Dr Elizabeth Crock, board member, ASHM
- Professor Rebecca Guy, Head of Sexual Health and Surveillance Evaluation and Research Program, Kirby Institute, UNSW
- Mr Chad Hughes, Deputy Program Director of Disease Elimination, Burnet Institute
- Professor Carla Treloar, Director, Centre for Social Research in Health
- Dr Thomas Rasmussen, Associate Clinical Director of HIV Cure Studies, Doherty Institute.



# AFAO ORGANISATIONAL CHART

AT 30 JUNE 2019





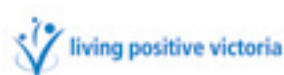
# AFAO MEMBER ORGANISATIONS

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# AFAO AFFILIATE ORGANISATIONS



# FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2019

AUSTRALIAN FEDERATION OF AIDS ORGANISATIONS LIMITED

ABN 91 708 310 631, ACN 619 928 460

## THE BOARD OF DIRECTORS REPORT FOR THE YEAR ENDED 30 JUNE 2019

The directors present their report, together with the financial statements, on the Federation for the year ended 30 June 2019.

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  
(up to November 2018)

Robert Griew – National President  
(from November 2018)

David Menadue

Joanne Leamy

Mish Pony

Susan Chong

Peter William Rowe

Mark Orr - Vice President

Michael Doyle

Michelle Tobin

Peter Grogan (from February 2019)

Lauren Bradley (from February 2019)

Stephen Teulan (up to November 2018)

Christian Vega (up to December 2018)

## DIRECTORS' REGISTER OF ATTENDANCE

	Board Meetings	
	Number Eligible To Attend	Number Attended
Bradley, Lauren	5	4
Chong, Susan	10	8
Doyle, Michael	10	9
Griew, Robert	7	7
Grogan, Peter	5	5
Haire, Bridget	3	3
Leamy, Joanne	10	8
Menadue, David	10	9
Orr, Mark	10	10
Pony, Mish	10	10
Rowe, Peter William	10	9
Teulan, Stephen	3	3
Tobin, Michelle	10	5
Vega, Christian	5	1

## AFAO BOARD AS AT 30 JUNE 2019

**Robert Griew, National President:** Robert has a long history in health and social policy. He has run the NT Department of Health and Community Services and, prior to that the AIDS Council of NSW (now ACON). He has also worked at senior levels in higher education and research policy, aged care, early childhood and in Aboriginal and Torres Strait Islander advancement. He has previously served on AFAO's Board, along with a number of others, mostly in the social justice not-for-profit sector.

Robert brings to AFAO a long association with the sector, a passion for advancing social justice for communities affected by disadvantage and marginalisation and a commitment to good policy. He believes in building strong coalitions both across the sector and with others.

He currently works as a consultant across public policy, administration and the not-for-profit sector. He has postgraduate training in public health and economics.

**Mark Orr, Vice President:** Mark is the Chief Executive of a large mental health organisation in the not-for-profit sector and is a Board Director of the organisation's NSW state peak, the Mental Health Co-ordinating Council. He is the immediate past President 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 in applied corporate governance, applied finance and investments and special education. He is a Graduate member of the Australian Institute of Company Directors and Fellow of the Governance Institute of Australia. Mark was appointed a Member of the Order Australia in 2019 for services to community health.

**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 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 was recently awarded his PhD at UNSW.

**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 member 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 Board Member of NAPWHA. David represents NAPWHA on the AFAO Board.

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 (they/them) has been working and volunteering in the LGBTIQ, HIV and sex worker community sector for over 10 years.

They are the Trans and Gender Diverse Sex Worker Representative for Scarlet Alliance, Australian Sex Workers Association, a founding member of Camp Out Inc, an annual camp in NSW for LGBTIQ+ teens and currently work at Twenty10 in Sydney, a NSW-wide LGBTIQ+ support and youth specialist homelessness service.

Mish has run numerous workshops and presented nationally and internationally on sex worker and trans rights and health.

**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.

**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 (PAT SIN). 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.

**Lauren Bradley:** Lauren works at the Australian Injecting and Illicit Drug Users League (AIVL) as the Senior Project Coordinator. Her policy, advocacy and project work focuses on the themes of harm reduction, stigma and discrimination and the public health rights of illicit drug users. Lauren is also Vice-President of Hepatitis ACT and a former board member of Hepatitis Australia.

Previously she has worked in the community and international development sectors both in Australia and South America, with a focus on grassroots work with marginalised and vulnerable groups. Lauren has a Bachelors of International Development and a Masters of Project Management.

**Peter Grogan:** Peter Grogan was co-opted onto the AFAO Board last December. Peter works in a senior commercial role and has extensive experience as a provider of professional services with expertise in law and corporate finance. Peter has made a substantial contribution to Australia's HIV response as a former President of AFAO and our largest member organisation, ACON.

## 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.

### OPERATING RESULT

AFAO's operating result for the year ended 30 June 2019 was a \$10,447 surplus (2018 deficit of \$82,620).

AFAO's end of year position was in line with board approvals and the estimated projection for the year. AFAO maintains total equity of \$562,745 as at 30 June 2019.

AFAO has substantially strengthened its work program and financial position after the defunding of longstanding domestic and international grants during 2015-16.

This year, AFAO concluded its two-year Sustainable HIV Financing in Transition (SHIFT) program, funded by the Global Fund to Fight AIDS, Tuberculosis and Malaria.

AFAO was awarded a new grant from the Global Fund for the Sustainability of Services for Key Populations in South East Asia Region (SKPA) program.

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



**Robert Griew**  
President



**Mark Orr**  
Vice President

Dated this 26 day of SEPTEMBER 2019

**LBW & Partners**

Chartered Accountants & Business Advisers  
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**Partners**

Rupa Dhamasiri

Alan M Perrott

George P Rochios

Mark W Willock

**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 2019, 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 Dhamasiri  
Partner

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

Dated this 26<sup>th</sup> day of September 2019

Liability limited by a scheme approved  
under Professional Standards Legislation



Analysis  
Interpretation  
Planning



AUSTRALIAN FEDERATION OF AIDS ORGANISATIONS LIMITED

**STATEMENT OF FINANCIAL POSITION**

As at 30 June 2019

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	1,540,606	1,800,100
Financial assets – term deposits		132,674	131,453
Trade and other receivables	5	119,989	39,336
Security deposits and prepayments		28,235	46,897
<b>TOTAL CURRENT ASSETS</b>		<b>1,821,504</b>	<b>2,017,786</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	28,418	27,957
<b>TOTAL NON-CURRENT ASSETS</b>		<b>28,418</b>	<b>27,957</b>
<b>TOTAL ASSETS</b>		<b>1,849,922</b>	<b>2,045,743</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	106,990	211,259
Grants and income in advance	8	986,566	1,128,384
Employee benefits		181,277	148,034
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,274,833</b>	<b>1,487,677</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits		12,344	5,768
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>12,344</b>	<b>5,768</b>
<b>TOTAL LIABILITIES</b>		<b>1,287,177</b>	<b>1,493,445</b>
<b>NET ASSETS</b>		<b>562,745</b>	<b>552,298</b>
<b>EQUITY</b>			
Reserves	9	175,000	175,000
Retained earnings		387,745	377,298
<b>TOTAL EQUITY</b>		<b>562,745</b>	<b>552,298</b>

The accompanying notes form part of these financial statements

AUSTRALIAN FEDERATION OF AIDS ORGANISATIONS LIMITED  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the year ended 30 June 2019

	Notes	2019 \$	2018 \$
<b>REVENUE</b>			
Donation and Gifts		258,175	134,041
Grants			
Department of Health	2	1,307,663	973,382
The Global Fund	2	1,826,005	1,159,477
Interest income		14,244	15,004
Other income – Australian		278,572	254,409
Other income – Overseas		11,843	–
<b>TOTAL REVENUE</b>		<b>3,696,502</b>	<b>2,536,313</b>
<b>EXPENDITURE</b>			
International Program expenditure		1,971,325	1,233,646
Domestic Programs			
Domestic programs expenditure		317,077	198,865
Staffing		983,961	819,049
Administration		413,692	367,373
<b>TOTAL EXPENDITURE</b>		<b>3,686,055</b>	<b>2,618,933</b>
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>		<b>10,447</b>	<b>(82,620)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>–</b>	<b>–</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>10,447</b>	<b>(82,620)</b>

The accompanying notes form part of these financial statements

AUSTRALIAN FEDERATION OF AIDS ORGANISATIONS LIMITED

**STATEMENT OF CHANGES IN EQUITY**

For the year ended 30 June 2019

	Retained Earnings \$	Reserves \$	Total \$
<b>Balance at 30 June 2017</b>	459,918	175,000	634,918
Deficit for the year	(82,620)	–	(82,620)
<b>Balance at 30 June 2018</b>	377,298	175,000	552,298
Surplus for the year	10,447	–	10,447
<b>Balance at 30 June 2019</b>	387,745	175,000	562,745

The accompanying notes form part of these financial statements

AUSTRALIAN FEDERATION OF AIDS ORGANISATIONS LIMITED

**STATEMENT OF CASH FLOWS**

For the year ended 30 June 2019

	Notes	2019 \$	2018 \$
<b>Cash flows from operating activities</b>			
Australian Government Grants received		1,325,150	1,085,882
Interest Received		14,244	15,004
Other Grants/Income		2,240,802	2,033,473
Project Grant Costs		(2,306,159)	(1,304,065)
Payments to Employees		(1,498,208)	(1,129,221)
Net cash used in operating activities		(224,171)	(701,073)
<b>Cash flow from investing activities</b>			
Payments for property, plant and equipment		(34,102)	–
(Increase) in term deposits		(1,221)	(1,221)
Net cash used in investing activities		(35,323)	(1,221)
Net increase/(decrease) in cash held		(259,494)	699,852
Cash at beginning of year		1,800,100	1,100,248
Cash at end of year	4	1,540,606	1,800,100

The accompanying notes form part of these financial statements



**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 June 2019

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The financial statements cover the Australian Federation of AIDS Organisations Limited (the Federation/AFAO) 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 26 September 2019. 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.

The Federation has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Federation.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Significant Accounting Policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**a. Income Tax**

As a charity 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

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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(d) 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 year in which they are incurred.

### **Depreciation**

The depreciable amount of all fixed assets, including buildings and capitalised leased 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 (e.g. 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.

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**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(d) for further discussion on the determination of impairment losses.

**h. Revenue and Other Income**

**The Federation recognises revenue as follows:**

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Federation is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Federation: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Grants

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.

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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

Donations and bequests are recognised as revenue when received.

#### Interest revenue

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

#### Services income

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

#### Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

### **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 and translating or converting assets and liabilities at the balance date are recognised in profit and loss.

## **n. Critical Accounting Judgements, Estimates and Assumptions**

The preparation of the financial statements requires management to make judgement, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgement and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgement, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to respective notes) within the next financial year are discussed below.

### **(l) Key Judgements**

#### **Employee benefits**

For the purpose of measurement, AASB 119: Employee Benefits 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.

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**o. New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Federation for the annual reporting period ended 30 June 2019. The Federation's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Federation, are set out below.

**AASB 16 Lease**

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

The Federation will adopt this standard for reporting period ending 30 June 2020 using the modified retrospective approach.

The impact of this adoption will be recognition of a right-of-use asset with a corresponding increase in lease liability, in respect of the Federation's operating leases over premises.

However, an estimated amount is not presented herein as the Federation is still under negotiations for finalizing the terms of the lease.

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 June 2019

**NOTE 2: REVENUE AND OTHER INCOME**

	2019 \$	2018 \$
Grants – Department of Health:		
Health Peak and Advisory Bodies Program	375,000	375,000
Communicable Disease Prevention and Service Improvement Program	568,182	568,182
World AIDS Day Parliamentary Breakfast Sponsorship	29,000	30,200
PrEP Health Promotion Digital Campaign	335,481	–
	1,307,663	973,382
Grants – The Global Fund:		
Asia Multicountry HIV Grant – Support for Regional and In-Country Consultations	54,775	43,190
Sustainable HIV Financing in Transition (SHIFT)	1,232,821	1,074,261
Technical Assistance Projects	16,747	42,026
Sustainability of Services for Key Populations in South East Asia Region (SKPA)	521,662	–
	1,826,005	1,159,477

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 June 2019

**NOTE 3: EXPENSES**

Surplus/(deficit) before income tax includes the following specific expenses:	2019 \$	2018 \$
Rental expenses relating to operating lease for AFAO Offices	133,170	116,857
Defined contribution superannuation expenses	81,590	67,391

**NOTE 4: CASH AND CASH EQUIVALENTS**

	2019 \$	2018 \$
Cash at bank (AUD Bank Accounts)	197,054	411,082
Cash at bank (USD Bank Accounts)	849,979	905,214
Short-term bank deposits (up to 3 months)	492,573	482,804
Cash on hand	1,000	1,000
	1,540,606	1,800,100

*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:

Cash and cash equivalents	1,540,606	1,800,100
	1,540,606	1,800,100



**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 June 2019

**NOTE 5: TRADE AND OTHER RECEIVABLES**

	2019 \$	2018 \$
Member Organisations	74,794	5,500
Health Sector Organisations	–	1,500
Other – International	48,207	16,747
Global Fund SHIFT Sub-Recipients (payable)	(3,012)	10,786
AFAO staff – cash advance for work related expenses	–	4,803
	119,989	39,336

**NOTE 6: PROPERTY, PLANT AND EQUIPMENT**

	2019 \$	2018 \$
Office furniture and equipment at cost	38,598	4,496
Accumulated depreciation	(10,180)	(3,285)
Total furniture and equipment at cost	28,418	1,211

**Leasehold improvements**

At cost	113,714	113,714
Accumulated depreciation	(113,714)	(86,968)
Total Leasehold Improvements	–	26,746
Total Property, Plant and Equipment	28,418	27,957

**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:

	Leasehold Improvements \$	Office Furniture and Equipment \$	Total \$
Balance at the beginning of the year	26,746	1,211	27,957
Additions	–	34,102	34,102
Depreciation expense	(26,746)	(6,895)	(33,641)
Carrying amount at the end of year	–	28,418	28,418

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 June 2019

**NOTE 7: TRADE AND OTHER PAYABLES**

	2019 \$	2018 \$
<b>CURRENT</b>		
Trade Payables	49,926	186,325
GST Payable (Recoverable)	(557)	6,201
PAYG Tax	16,663	12,646
Superannuation and Employee Benefits	7,602	6,087
Unspent Grant Repayable	33,356	–
	106,990	211,259

**NOTE 8: GRANTS IN ADVANCE**

	2019 \$	2018 \$
International Program Grants	774,095	917,046
Other Grants	137,019	211,339
Membership Fee for FY 2019-20	75,452	–
	986,566	1,128,385

**NOTE 9: RESERVES**

	2019 \$	2018 \$
Opening balance	175,000	175,000
Transfer (to) from retained earnings		–
Balance at end of the year	175,000	175,000

Reserves represent funds set aside by the Board of Directors for any possible redundancy in future.

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 June 2019

**NOTE 10: ECONOMIC DEPENDENCY**

The Australian Federation of AIDS Organisations Limited is reliant on continuing government and major donor funding to operate as a going concern. At the date of this report the directors have no reason to believe that government grants and donor funding will not continue.

**NOTE 11: KEY MANAGEMENT PERSONNEL COMPENSATION**

	2019 \$	2018 \$
Key management personnel compensation	572,982	537,983
	572,982	537,983

**NOTE 12: OPERATING LEASE COMMITMENTS**

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

	2019 \$	2018 \$
Payable – minimum lease payments		
– not later than 12 months	–	–
	–	–

AFAO is currently leasing its premises at Level 1, 222 King Street, Newtown on a month-to-month basis as its lease has expired. AFAO is liaising with the Landlord for a new lease.

**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.

Subsequent to the balance date, AFAO has successfully negotiated the terms of a new lease with the Landlord for its current office premises at Level 1, 222 King Street, Newtown, and the lease proposal has been received.

**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

**STATEMENT BY THE BOARD OF DIRECTORS**

For the year ended 30 June 2019

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**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 2019 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



Robert Griew  
President



Mark Orr  
Vice President

Dated this 26 day of SEPTEMBER 2019



**LBW & Partners**

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**Partners**

Rupa Dharmanini

Alan M Perrott

George P Rochios

Mark W Willock

**Australian Federation of AIDS Organisations Limited**

ABN: 91 708 310 631

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

**Report on the Audit of the Financial Report****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 2019, 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 2019 and of its financial performance for the year then 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Liability limited by a scheme approved  
under Professional Standards Legislation



Analysis  
Interpretation  
Planning



## 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.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Rupeninga Dharmasiri  
Partner

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

Dated this 27<sup>th</sup> day of September 2019

**afao**

AUSTRALIAN FEDERATION  
OF AIDS ORGANISATIONS

[www.afao.org.au](http://www.afao.org.au)