

Report and Accounts 2015

International HIV/AIDS Alliance



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Unless otherwise stated, the appearance of individuals in this publication gives no indication of either sexuality or HIV status.

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International HIV/AIDS Alliance

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Mr Zhen Li
Mr Callisto Madavo
(resigned 27 November 2015)
Ms Andrea Marmolejo
Dr Kevin Moody
Ms Kanini Mutooni
Dr Carole Presern
Mr Prasada Rao
Dr Steven Sinding (retired 24 April 2015)
Dr Jens Van Roey

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Charity registration number

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Young people gather for a condom
demonstration and sexual and
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Report of the trustees

for the year ended 31 December 2015

The Trustees of the International HIV/AIDS Alliance present their annual report and the audited financial statements of the organisation for the year ended 31 December 2015, prepared under the Charities Act 2011 and the Companies Act 2006. The annual report includes the Directors' Report and Strategic Report, required under the 2006 Act and presented in their capacity as company directors.

The International HIV/AIDS Alliance ('the Charity') is registered with the Charity Commission for England and Wales under number 1038860. The Charity functions as the secretariat for a global alliance of nationally-based 'Linking Organisations' committed to joint action, working with communities through local, national and global action on HIV, health and human rights ('the Alliance') (the term Linking Organisation is explained in the Organisational structure section of the Trustees' report on page 4.) The names of the Charity's Trustees and Executive Director are shown opposite, on the inside cover, as are details of its registered office (where the Charity is based) and the names and addresses of its bankers, solicitors and auditors.

Objectives and activities

Objectives

The Alliance's vision is a world without AIDS. The objects of the Charity, as stated in its memorandum of association, are the specific pursuits through which the Alliance aims to make that vision a reality. These objects are:

- the advancement of health throughout the world, particularly in relation to HIV and to sexual and reproductive health;
- the promotion of the effective use of charitable resources by civil society;
- organisations advancing health, particularly in relation to HIV and to sexual and reproductive health;
- the promotion of human rights (as set out in United Nations conventions and declarations) particularly by the following means: relieving need among the victims of human rights abuses; research into human rights issues; educating the public about human rights; providing technical advice to government and others on human rights matters; raising awareness of human rights issues; international advocacy on human rights; and eliminating infringements of human rights;
- the relief of poverty or other charitable need among people affected by HIV, including their families and dependants, in addition to ensuring that they are healthy;
- the promotion of equality and diversity by the elimination of stigma and discrimination in relation to people affected by HIV.

The Charity's mission, in furtherance of its objects, is to work with communities through local, national and global action on HIV, health and human rights. The Charity aims to help communities to play a full and effective role in the global response to AIDS through activities that:

- meaningfully involve people living with HIV in all aspects of its response to the epidemic;
- reduce vulnerability, stigma, violence and discrimination;
- strengthen the capacity of communities to respond to HIV and other health, development and human rights priorities;
- take place in both high- and low-prevalence countries with key populations – groups that are likely to affect, or be affected by, the spread of HIV.

During 2015, the work of Linking Organisations and the Secretariat supported the achievement of the Charity's objectives for the year, and the overall objectives set out in 'HIV, health and rights: sustaining community action', its strategic framework for the period 2016-20. The strategy, originally for the period 2013-2020, was updated during 2015 to reflect the priorities of the wide range of community leaders, human rights defenders, programme managers and civil society advocates who make up the global Alliance partnership. Details of the Charity's activities, achievements and performance during 2015 can be found in the Strategic Report on page 10.

Public benefit reporting

The Trustees have paid due regard to the Charity Commission's general guidance on public benefit in setting the Charity's objectives and planning its activities. This report explains the Charity's activities, and demonstrates how they contribute to the Charity's purposes and provide public benefit.

Structure, governance and management

Organisational structure

The Charity was incorporated as a company limited by guarantee on 24 December 1993, and is registered with Companies House under number 2883774. The Charity's governing document is its memorandum and articles of association.

Country Offices and Linking Organisations

The support of community responses to the HIV epidemic has always been central to the Alliance's strategy. In the countries in which it operates, the Charity aims to identify independent, national non-governmental organisations (NGOs) that can act as 'Linking Organisations' to support other NGOs and community-based organisations (CBOs) within those countries. We see an alliance of national Linking Organisations with strong international connections and shared values as the best way to support community action on HIV. The accreditation process (see below) is used to assess organisations wishing to join the Alliance; if accredited, organisations sign the Alliance Charter and Linking Agreement, the document that formally links Alliance members. The Charter and Linking Agreement sets out the principles behind the Alliance and explains how its members work together to put these principles into practice.

The Charity has a fundraising and policy office in the United States; the office is a subsidiary of the Charity. The regional representative office in Thailand, where the Charity was registered as a Foundation, ceased operations during the year and an application to dissolve the entity has been submitted to the relevant authorities. The Charity's country office in Uganda closed in September 2015 when the USAID-funded SUNRISE programme came to an end. The transition of the Charity's remaining country office, in Myanmar, to an independent Linking Organisation, has been delayed by the political situation in the country.

Technical Support Hubs

The Alliance has five regional Technical Support Hubs in Africa, Asia, and Latin America and the Caribbean, whose role is to build capacity for strong and effective civil society organisations. The hubs consist of small teams of technical support providers and regional experts who work with Linking Organisations, CBOs, governments and other sectors to strengthen their leadership and technical capacity. Each hub is hosted by a Linking Organisation.

Centres of Practice

Alliance Centres of Practice have been established to increase and speed up the deployment of technical expertise and policy leadership rooted in practice. The Centres of Practice bridge knowledge and practice, and are led and hosted by Linking Organisations with recognised expertise. There are currently five global Centres: one on harm reduction and hepatitis C, two on key populations, one on adolescent health, and one on HIV treatment.

Governance

Trustees

The Charity is governed by its Board of Trustees, the highest policymaking body within the organisation. The Trustees of the Charity are Directors for the purposes of the Companies Act 2006.

The Board of Trustees approves the Charity's strategic framework and is responsible for ensuring that the organisation's broad policies and strategies are in keeping with its mission. At their twice-yearly meetings (which take place over two days) the Trustees authorise annual operational plans, funding requests and programme priorities, decide annual budgets, approve accounts and review organisational risk. The Trustees also select and appoint the Charity's Executive Director.

When new appointments to the Board are sought, preferred skills and experience are identified through an audit and the positions and desired profiles are advertised. Applications are discussed and appointments confirmed by the full Board. In accordance with the memorandum and

articles of association of the Charity, Trustees are appointed for an initial three-year term, and may not serve more than three consecutive terms of office. Appointment of Trustees is by resolution of the Board.

Trustee induction and training

New trustees receive a trustee induction pack in advance of their first board meeting, containing key organisational documents such as the memorandum and articles; the most recent strategy and annual report and accounts; essential policies (e.g. anti-fraud, conflict of interest, serious incident reporting); committee terms of reference; and trustee duties and responsibilities. The pack also includes external guidance such as the Good Governance Code and the Charity Commission's 'The Essential Trustee'. New trustees attend the Charity a day before their first board meeting for a one-day induction of meetings with key staff from across the organisation at which they learn about the Alliance model, practices and programmes. Training for existing trustees is arranged on an ad hoc basis according to their requirements.

Finance and Audit Committee

The Finance and Audit Committee reports to the Board of Trustees and comprises up to eight members: up to five Trustees and up to three external members. The current Trustee members are Kanini Mutooni (Chair of the Committee), Martin Dinham (Chair of the Board of Trustees), Andrea Marmolejo and Prasada Rao. The current external members are Peter Freeman, former Chair of the Committee and an Alliance Trustee until his retirement from the Board in 2011, and Ian Goodacre and Robert Hardy who were appointed to the Committee in April 2015.

The Committee meets at least twice a year, and its responsibilities include the review of the Charity's annual budget in advance of discussion by the Board of Trustees; review and oversight of the financial position and performance of the Charity against budgets; review of the statutory accounts of the Charity; the approval of changes in accounting policies; the assessment of risks facing the Charity and the systems put in place to mitigate them; the approval of internal audit plans and review of the effectiveness of the Alliance internal audit function; and the consideration of findings and recommendations of both the internal and external auditors.

Policy and Advocacy Committee

The Alliance's policy work continues to be an important component of the civil society response to HIV, especially in a changing environment, both at policy-making and funding levels. The Policy and Advocacy Committee is a formal mechanism through which Linking Organisations can participate both in the setting of an international policy agenda and in the adoption of advocacy positions that represent the Alliance and are linked to local programme work.

The Policy and Advocacy Committee is responsible for developing and maintaining a global policy agenda for presentation to the Board of Trustees for approval on an annual basis. The Committee comprises up to ten members, including Trustees, senior staff from Linking Organisations and expert, external members. The current Trustee members of the Committee are Kevin Moody (Chair of the Committee), Angela Gomez (Vice-Chair of the Board of Trustees) and Carole Presern. Linking Organisation representatives are Thomas Cai (Executive Director of Aids Care China), Casper Erichsen (Executive Director of Positive Vibes in Namibia), Joaquin Salcedo (Board member of IDH in Bolivia) and Abhina Aher (Programme Manager for Alliance India). The current external member is Mat Southwell.

Accreditation Committee

The Alliance introduced an accreditation system in 2008 to assess Alliance members against institutional and programmatic standards in order to ensure that the Alliance's membership comprises well-performing, sustainable and credible civil society organisations. The system promotes good governance, organisational management and good practice HIV programming across Linking Organisations and guides the admission of new organisations to the Alliance. The accreditation certification is valid for four years; cycle II of accreditation, during which the Secretariat and all Linking Organisations will be assessed, began in 2013.

The Accreditation Committee oversees the accreditation system. The Committee comprises up to three Trustees, four Linking Organisation representatives at either board or senior management level, and a senior staff member of the Secretariat. The current Trustee members of the Committee are Jens van Roey (Chair of the Committee) and Zhen Li. The Linking Organisation members are Rajan Mani (Director of Finance and Operations of Alliance India), Rokhaya Nguer (Chair of the Board of ANCS in Senegal) and Soe Naing (Executive Director of Alliance Myanmar).

People and Reward Committee

The Board approved the terms of reference of the new People and Reward Committee in April 2015. The role of the Committee, on behalf of the Board, is to:

- provide guidance to management on an overall budget and policy framework for the Charity's annual staff pay and award settlement, to inform management's negotiations with staff trade union representatives. This guidance will take into account (i) any views from the Executive Director, the Finance team and the Finance and Audit Committee on the financial health of the Charity; (ii) the national UK inflation rate; and (iii) any benchmarking evidence provided by management on pay and reward in comparator organisations;
- set the pay of the Executive Director, based on performance and input from the Chair of the Board; and

- discuss and advise management on human resource issues as may arise from time to time in the Charity, including director-level structure and appointments; staff recruitment and retention; organisational culture; and the management of change.

The Committee meets as required and reports at least annually to the full Board of the Alliance. Its composition is Martin Dinham (Chair of the Board); Kanini Mutooni (Chair of the Finance and Audit Committee); and Peter Freeman (external member of the Finance and Audit Committee).

Management structure

In November 2015, Alvaro Bermejo stepped down as Executive Director of the Charity after a tenure of nearly 12 years to take up a new role at the Children's Investment Fund. The Board of the Alliance conducted an extensive global recruitment process during the latter half of 2015 and successfully appointed a new Executive Director, Christine Stegling, who formally joined the Charity in January 2016. Christine, a leading actor in the HIV response, joined the Charity from the International Treatment Preparedness Coalition, where she had served as Executive Director for a period of nearly three years. Christine had previously worked for the Charity as a member of the Senior Management Team (SMT) in the role of Associate Director: HIV Best Practice.

The Executive Director manages the Charity on a day-to-day basis, coordinates and directs the three Secretariat departments (Field Programmes, Corporate Services and External Relations) and the Legal, Risk and Compliance Team, and reports to the Board of Trustees at its biannual meetings. She leads the Charity's SMT, which comprises the Executive Director, the Director: Corporate Services, the Director: External Relations, and four Associate Directors. These SMT members are the key management personnel within the Charity.

The SMT usually meets on a weekly basis to take decisions about (among other things) the review, development and implementation of operational plans; financial, planning and other management systems; changes in organisational policies; and the creation of new staff positions. The SMT is mandated to operationalise the strategy of the Charity and closely monitor the Charity's performance against the key strategic responses. Significant decisions – such as the approval of organisation-wide strategy, annual work plans and budgets – are subject to approval by the Board of Trustees.

Annual meetings of SMT members with Linking Organisation directors facilitate direct discussions on Alliance-wide issues. Regional 'blue sky weeks', held in-country with senior programme personnel and local office and Linking Organisation staff, also help to maintain close links with operations worldwide.

Restructuring

At its meeting in November 2015, the Board of Trustees approved a major restructuring of the Charity, to enable the Charity to achieve its strategic aims and to ensure its future financial sustainability. The restructuring process is aligned to the strategic aims of the Charity and its completion will enable a more effective, agile and lean organisation to meet its required strategic aims for the period 2016 to 2020.

Combined with this strategic need, the external funding environment has become increasingly dynamic and changeable over the past two years. The Charity's current core funding arrangements with the UK Government (DFID) and the Swedish Government (Sida) fall due for renewal at the end of 2016 and could substantively change for future years. Through the restructuring process, the Charity will become more sustainable through the lowering of core overhead costs and better able to attract funding to continue its important work.

The development consultancy firm MzN International is supporting senior management in the restructuring process. The process is underway at the date of this report and the new organisational structure will be launched in autumn 2016. A provision has been made in the 2015 accounts for the costs of the restructuring process and is disclosed in note 15 of the financial statements.

Grant-making policy

The Charity grants funds to Linking Organisations. Linking Organisations then support other NGOs and CBOs within their countries by sub-granting the funds received. On rare occasions the Charity also grants funds directly to programme-implementing organisations ('implementing partners').

The Charity has a comprehensive onward granting policy and procedures manual that provides clear guidelines on the criteria for awarding grants to NGOs and CBOs, to ensure that accountability and transparency is maintained. The manual includes detailed tendering processes, as well as guidelines on matters such as how to establish selection criteria, how to engage external stakeholders in the selection process, how to carry out programmatic and financial assessments, how to support and monitor grantees, and what to do when there is a need to 'close out' the grant. Grant renewal is subject to performance, review and re-planning.

Strategic report

Achievements and performance in 2015

Significant achievements in 2015

The year 2015 saw excellent progress for the Charity, with 13 out of 14 of our milestones exceeded. The year marked the start of a new era towards ending AIDS. In September 2015, the UN adopted the Sustainable Development Goals (SDGs). The Alliance worked closely with many others to ensure HIV was included as part of a new health goal to promote health and wellbeing for all, with a specific target to end AIDS by 2030.

The coming year will be critical in helping us working to meet this 2030 goal. It is a year where we have the possibility of securing new, bolder commitments to the response to AIDS at the global level through the UN High Level Meeting on AIDS and will be crucial in terms of ensuring that AIDS stays on the agenda for funders. With other competing development priorities like the European refugee crisis, political support for official development assistance (ODA) has continued to decrease. This has created a greater sense of urgency around efforts to diversify financial support. Opportunities and challenges facing the Alliance for the coming year are discussed in greater detail below.

Significant achievements of the Alliance during 2015 included the following:

- In 41% of Alliance countries, our Linking Organisations contributed 10% or more of the national coverage for HIV prevention, care or treatment (target 30% of Alliance countries).
- 1,300,000 defined packages of HIV prevention services were provided to key populations; 30% higher than the target set.
- One million people received HIV testing and counselling services for HIV, and received their test results; 25 Linking Organisations contributed to this target in 2015.
- Nearly 1.2 million adults and children living with HIV received care and support services; a 29% increase since 2014.
- 1,599,000 people were reached with integrated HIV and sexual and reproductive health (SRH) activities; 900,000 were women and girls.
- 2,174 community-based organisations (CBOs) received grants through the Alliance (target 2000); 83% achieved their programmatic and financial targets.
- 809 CBOs and networks were supported by the Alliance to monitor and report on human rights-related barriers to access services (2015 target 350).
- 9 Linking Organisations are Global Fund Principal Recipients (PR), managing one of the largest Global Fund civil society portfolios with a value of \$310 million.

- We organised a number of high-level events to influence decision makers in the year leading up to the agreement of the new Sustainable Development Goals, including at the Financing for Development Conference and the UN Summit. We also had a strong presence at the international harm reduction and the international family planning conferences.

HIV, health and rights strategy: the third year

2015 was the third year of implementing our 2013-20 strategy, *HIV, health and rights: sustaining community action*. The strategy set out measurable goals to be achieved by 2015, and unites the efforts of the global Alliance to bring about a world without AIDS.

At the heart of the strategy is the ambition to bring about healthy people, stronger health and community systems, and inclusive and engaged societies. To achieve this we are focusing on three key responses: increasing access to HIV and health programmes; supporting CBOs to be connected and effective elements of health systems; and advocating for HIV, health and human rights.

This report sets out our key results during 2015 under each of our Strategic Responses.

Strategic Response 1: Increase access to HIV and health programmes resulting in healthy people and leading to improved health outcomes

Under Strategic Response 1 we have committed ourselves to increase the coverage and scale of our integrated health programmes. Our results demonstrate how we have prioritised programmes that prevent HIV infection, increase access to HIV testing and counselling, provide care and support, and improve access and adherence to antiretroviral treatment. The results also show how we have promoted integration of HIV prevention and care into Sexual and Reproductive Health (SRH) and Tuberculosis (TB) services, a growing focus on HIV and Hepatitis C co-infection and worked to create an enabling social and legal environment for HIV services, especially for key populations. It also shows our commitment to piloting and scaling up innovative community-based solutions.

Outcome indicators

41% of Alliance countries contributed 10% or more of the national coverage for HIV prevention, care or treatment as reported to national HIV coordinating bodies or based on population size estimation. 2015 milestone exceeded (30%)

In Burundi, Cambodia, Cote d'Ivoire, Kenya, India (India HIV/AIDS Alliance), Indonesia, Malaysia, Morocco, Senegal, Uganda and Ukraine our Linking Organisations contributed 10% or more of the national coverage for HIV prevention, care or treatment, as reported to national HIV coordinating bodies or based on population size estimation. For the first time there are as many countries in Africa in this category as there are in Asia and Eastern Europe.

For four organisations, this is a direct result of implementing Dutch government multi-country projects; in Kenya and Indonesia where Kenya AIDS NGOs Consortium (KANCO) and Rumah Cemara have been implementing the Community Action on Harm Reduction Programme, and Burundi and Uganda, where Alliance Burundaise Contre le SIDA (ABS) and Community Health Alliance in Uganda (CHAU) are implementing the Link Up programme focussed on young people. Two thirds of the organisations are Global Fund to Fight AIDS, TB and Malaria (the Global Fund) Principal or Sub-Recipients grant implementers.

Some Linking Organisations are exceeding our 10% coverage target. For example, in Cote d'Ivoire Alliance Nationale Contre le SIDA contributed 40.42% of the national target for HIV counselling and testing (up from 11% in 2014); and AMSED in Morocco contributed 16.49% of combination prevention interventions for men who have sex with men.

The Global Fund provided one-half (51%) of the Alliance's family income in 2015, with 9 LOs serving as Global Fund PRs and 14 LOs serving as Global Fund sub-recipients. Many of these Linking Organisations contribute substantially to both national and global Alliance targets including India HIV/AIDS Alliance, Alliance for Public Health in Ukraine, Alliance Nationale Contre le SIDA (ANCS) in Senegal, Malaysian AIDS Council, Kimirina in Ecuador and Initiative Privée et Communautaire de Lutte Contre le VIH/SIDA (IPC) in Burkina Faso.

Results:

1,182,364 adults and children with HIV provided with care and support 2015 milestone exceeded (800,000)

- For the third year running, community-led support to people enrolled in care and treatment programmes was largely driven by the Global Fund Vihaan programme, being implemented by India HIV/AIDS Alliance which reached 903,243 people.
- The Networking HIV/AIDS Community of South Africa (NACOSA) in South Africa are the second largest provider of care and support services, with 148,458 people living with HIV benefiting from their services in the country with the highest prevalence globally.
- Globally, our coverage under this indicator expanded from 17 countries in 2014 to 21 in 2015.

1,013,299 people received HIV testing and counselling services and received their results

2015 milestone exceeded (740,000)

- Community based HIV testing and counselling (HTC) services continue to be an important entry point for the Alliance to mobilise communities most affected by HIV with a 30% increase in numbers of people reached compared to 2014.
- 25 Linking Organisations provided HTC services through a wide variety of community, mobile and facility-based models.
- 55% of our HTC services were in Africa, with Cote d'Ivoire contributing 40% of the national target for HIV testing, and South Africa reaching over 208,000 people.

1,599,157 people reached with integrated HIV and SRH services

2015 milestone exceeded (1,100,000)

- The reach of our integrated HIV and SRH services increased by close to 10% from 2014, and exceeding its target by 45%.
- 2015 was the third year of implementation of the ambitious, five-country sexual and reproductive health and rights (SRHR) and HIV integration programme, *Link Up*, which aims to reach young people in Bangladesh, Burundi, Ethiopia, Myanmar and Uganda. In 2015, 741,000 young people from key populations were reached in community and facility-based settings.
- In addition to integrated HIV and SRHR services, we provided 559,392 people with integrated HIV and TB services, an increase of over 130% compared to 2014.

1,307,279 people from key populations reached with a defined package of HIV prevention services

2015 milestone exceeded (1,000,000)

- Alliance efforts are based on a combination and targeted approach to HIV prevention.
- Our reach increased by 30% in 2015; men who have sex with men were the largest group (621,708) closely followed by sex workers (322,190), people who use drugs (298,702) and transgender people (68,909).
- Efforts to promote a more coherent approach to key population programming in Africa paid off. In 2015 we reached key populations in 12 countries, 9 of which increased their reach from 2014.
- Several Linking Organisations have emerged as global leaders in mobilising key populations; India HIV/AIDS Alliance reached 401,311 men who have sex with men with prevention through the Global Fund supported *Pehchan* programme, Alliance for Public Health in Ukraine reached 221,280 people who inject drugs with harm reduction services, and ANCS who provide HIV services to 10% of men who have sex with men reached nationally in Senegal.

Principal risks and uncertainties:

- We remain committed to focusing our efforts in countries which have the highest burden of the HIV epidemic and where we could have the greatest impact. Work to ensure that the countries where we work matches this aspiration continues, particularly to increase our impact in Southern Africa where there are nearly 12 million people living with HIV. Through open calls for applications, we are in the process of selecting incoming Linking Organisations in Zimbabwe, Zambia, Mozambique and Swaziland. We are also seeking a new partner in Nigeria, which together with South Africa and Uganda, accounts for almost half of all annual new HIV infections in sub-Saharan Africa. All of these organisations will go through the self-assessment element of the Alliance accreditation system (see Strategic Response 4) and we hope to formally welcome them into the global Alliance in 2016.
- The momentum behind treatment scale-up requires us to re-focus how our HIV programmes are framed. We recognise that we need to prioritise these efforts and our TREAT programme (started in 2014) which aims to strengthen the engagement of Linking Organisations in HIV treatment across the HIV care continuum has been supporting a number of pilot programmes to fast-track this impact. In 2015, 25 Linking Organisations were providing HIV testing and counselling services, and 11 were involved in monitoring people on treatment. We aim to increase these numbers in 2016.
- In 2015 we continued to work in a number of conflict affected and fragile states where a significant proportion of people living with HIV live, specifically through our Linking Organisations in Ukraine, Cote d'Ivoire and Burundi, as well as our work with men who have sex with men (MSM) in the Middle East and North Africa region. This work will remain a priority for us in 2016.
- The challenge of being able to deliver high quality programming by some Linking Organisations, especially those involved in high profile donor or multi-country projects, remains high. For example, last year services delivered by our Linking Organisation in Haiti were affected the ongoing instability in country and the scarcity of skilled staff and this has had an impact on beneficiaries and the Alliance's global results.
- The changing funding landscape around funding for HIV from traditional ODA sources, particularly for middle-income countries where two-thirds of our Linking Organisations are based, continues to threaten the potential impact on the HIV response by the Alliance.

Strategic Response 2: Support community-based organisations to be effective and connected elements of health systems resulting in stronger health and community systems and leading to an outcome of high performing and sustainable civil society

Strategic Response 2 focuses on ensuring that CBOs remain connected and effective, high performing and ultimately sustainable as they create demand, deliver services and provide a bridge to government and other services for key populations. Health systems also need to be strengthened so they can address the needs of people most affected by HIV. A focus on 2015 has been to improve the evidence we collect to show our impact on strengthening community and health systems.

Outcome indicators:

33% of Alliance Linking Organisations received 5% or more of their total funding from non-ODA sources
2015 milestone (40%)

Only a third of Linking Organisations currently met this target, a slight decrease compared to 2014 (40%). As the only target not reached in the last three years, it demonstrates the significant challenge of attracting non-ODA funding for our work, although all of the organisations who met this target are based in middle-income countries. The highest percentage of funding from non-ODA sources was 63% for Via Libre (Peru), 62% for Atlacatl in El Salvador and 50% for Malaysian AIDS Council.

Results:

2,174 CBOs received grants through the Alliance
2015 milestone exceeded (2,000)

The number of CBOs supported financially by the Alliance in 2015 exceeded the target by 10%.

- Like last year, Alliance India is supporting a large CBO-support system having providing financial and technical support to 645 CBOs in 2015.
- The nine countries where the Alliance is a Global Fund principal recipient accounted for 65% (1,409) of the total number of CBOs reached.

83% of Alliance-supported CBOs achieved their programmatic and financial targets
2015 milestone exceeded (70%)

This indicator continues to be a barometer of how well Alliance-supported CBOs are performing, and is a proxy measure for whether these organisations have the appropriate capacity.

84% of Linking Organisations have CBOs that report to national HIV and/or health ministries in accordance with national guidelines
2015 milestone exceeded (75%)

This indicator measures the extent to which Linking Organisations, and by extension CBOs, are connected with the government through sharing of data or receiving funding. 2015 saw the end of the reporting period for the Millennium Development Goals, and it was important that community efforts were reflected in these global results.

15 peer reviewed journal articles analysed the Alliance's contribution to improved health outcomes for key populations
2015 milestone exceeded (10)

The Alliance continued to share its experience at the community level in order to inform practice and improve technical capacity. 15 articles were published in peer-reviewed journals that incorporated work done in 2015, a 50% increase in the number published in 2014.

- Experience was shared from Cambodia, eastern Uganda, India, Kenya, Zambia and China in journals including the *BMJ Open*, *BMC Health Services Research*, *Harm Reduction Journal*, *International Journal of Tropical Diseases and Health*, and *PLOS One*.

Southern leadership to end AIDS

- The strategy drives us to share our knowledge and sustain community action on HIV. To this end, four new Centres of Practice hosted by selected Linking Organisations were launched in 2015. Centres aim to bridge the gap between evidence and practice in order to end AIDS. They draw on their individual expertise to connect, bring together and develop the Alliance's collective knowledge, experience and community links on specific expert areas. The first four are:
 - o A Centre HIV, Hepatitis C and Drug Use, hosted by Alliance for Public Health in Ukraine.
 - o A Centre for adolescent health and HIV, hosted by MAMTA Health Institute for Mother and Child in India.
 - o And two Centres for HIV, health and rights of key populations. The two Centres will work closely together to harness their respective technical knowledge and expertise. They are hosted by Positive Vibes in South Africa, and ANCS in Senegal.
- A fifth Centre, for HIV treatment, will be established in 2016 by host Via Libre in Peru.

Addressing sustainability of the HIV response in middle-income countries

- In 2015, we continued to address the political and financial sustainability of the HIV response in middle-income countries. Four Linking Organisations in Namibia, India, Mexico and Ukraine continued their involvement in monitoring national budget allocation and expenditure on HIV and advocating for improvements where necessary.

Principal risks and uncertainties:

- Two thirds of Alliance Linking Organisations are working in middle-income countries where ODA is decreasing rapidly. Delivery of our strategy relies on accessing new, non-ODA sources of funding. Progress against this indicator is good, but it remains unclear whether the Alliance is yet doing enough to steer a different course around financial sustainability. The individual giving programme called End AIDS India was re-launched last year with new project and supplier management and is back on track delivering income targets.
- A number of Linking Organisations experienced significant challenges in 2015 and this has had an impact on the quality of our programming and the number of countries where we work:
 - ACHI (South Sudan): following the rapid withdrawal of funding and the resulting reduction in capacity, the organisation closed in November.
 - NELAH (Nigeria): following the loss of core funding and positioning at the national level, NELAH formally opted-out of being part of the global partnership in September.
 - HASAB (Bangladesh): despite extensive support provided by the Secretariat, the organisation's membership of the Alliance was terminated in July due to funding difficulties and challenges with leadership.
- To deliver our ambitious goals and sustain our results, the Alliance model continues to evolve in order to remain relevant and innovative in a changing HIV epidemic. A significant focus in the next Alliance strategy period (2016-2020) will be to "*further develop southern leadership*". The Alliance Centres of Practice and Regional Technical Support Hubs form an important component of this approach.

Strategic Response 3: Advocate for HIV, health and human rights resulting in inclusive and engaged societies and leading to an outcome of empowered communities

Strategic Response 3 aims to bring about structural and policy change (informed by evidence) to improve access to health services and promote human rights. Alliance Linking Organisations and their community partners seek to hold authorities to account for HIV spending, and the work of the whole Alliance will continue to ensure that key populations play a part in decision-

making at local and international level. Here we also track efforts to position the Alliance and CBOs as influential leaders in the HIV response, in partnership with other stakeholders.

This year, we are reporting on two new **outcome indicators** for this strategic response to show progress towards protecting and addressing violence and discrimination against key populations and to evaluate to what extent the Alliance is influencing national and global policy and legal frameworks and processes.

Results:

The Alliance supported key populations advocacy in 24 countries 2015 milestone exceeded (24)

- India HIV/AIDS Alliance, through its '207 against 377' campaign, successfully contributed to the passing of the Transgender Persons Rights Bill through the Rajya Sabha (upper house) of the Indian Parliament.
- Supporting Community Development Initiatives (SCDI) in Vietnam played a key role in advocating for non-custodial community based treatment for drug dependency, and piloted a voluntary drug dependence treatment system in three provinces that the government now wants to scale up at national level.
- In Kenya, KANCO has successfully piloted and advocated for integrated sexual and reproductive rights services for women who inject drugs.
- In Bolivia, Instituto para el Desarrollo Humano (IDH) supported the development of a state level HIV law that prioritised the allocation of state resources for people living with HIV and key populations.

809 CBOs and networks were supported by the Alliance to monitor and report on human rights-related barriers to access HIV and health services 2015 milestone exceeded (350)

- This result is mainly due to the Global Fund supported Pehchan and Vihaan programmes in India. India HIV/AIDS Alliance has implemented a systematic approach to monitoring and responding to human rights violations. As a result, 1,485 cases of violence and discrimination against key populations were reported in 2015 and 90% of these cases were responded to within 24 hours.
- In eight other countries, the Alliance scaled up the use of its Rights-Evidence-ACTION (REACT) community-based system for monitoring and responding to human rights-related barriers in accessing HIV and health services. This has helped strengthen the capacity of partners implementing programmes in Uganda, Kenya, Senegal, Myanmar, Zimbabwe, South Africa, Burundi and in Lebanon.

Alliance practice, evidence and lived experience significantly influencing the outcome of 13 high level global policy processes
2015 milestone exceeded (68)

- The Alliance and its partnership with STOP AIDS NOW! (the Stop AIDS Alliance) influenced 13 high level global policy processes in 2015.
- This included work to ensure AIDS remained a focus of the new Sustainable Development Goals, through extensive advocacy in the run up to and during the SDG summit in New York in August 2015.
- In July, the Alliance hosted a side event alongside the African Union at the 3rd International Conference on Financing for Development in Addis Ababa.
- The Alliance Centre for HIV, Hep C and Drug Use hosted by Alliance for Public Health led the Alliance presence at the International Harm Reduction conference in Malaysia in November 2015. The conference was co-organised by the Malaysian AIDS Council.
- The Alliance participated in the launch of Open for Business, a campaign calling on large multi-national corporations to unite for the inclusion of LGBT communities around the world. We were instrumental in the kick-off of the initiative in 2014, and for the launch around World AIDS Day 2015, the Humsafar Trust in India was featured in the campaign materials and Frank Mugisha from Sexual Minorities in Uganda (SMUG), an Alliance implementing partner, was invited to a corporate event at SAB Miller.

The Alliance continued in its role as a respected thought-leader in the global HIV response. 2015 saw the launch of a campaign to challenge the barriers that LGBTI people face in accessing HIV services and healthcare. There were two peaks to the campaign: at the World Health Assembly in May, we launched a petition calling on Margaret Chan and Jim Yong Kim to ensure Universal Health Coverage for marginalised and key populations in the SDGs, and in November, prior to the Commonwealth Heads of Government meet in Malta, we launched a campaign to raise awareness that 40 out of 53 Commonwealth countries still criminalise same sex activity. Our Paradise or Persecution messages reached 852,692 people on social media, and 1,185 people signed the petition from 60 countries.

Principal risks and uncertainties:

- In 17 of the countries in which the Alliance operates, there are laws which criminalise same-sex sexual activity. In 14 of those countries, there are also laws which criminalise sex work. While the Alliance is implementing programmes to advocate for equal access to HIV and sexual and reproductive health-related services for key populations, the risks remain high.
- Our work with key population groups, though well respected by donors and recognised by policy makers, can suffer due to our poor engagement and working relationships with global and key population networks. To minimise reputational risk and loss of effectiveness, the Alliance focussed on developing partnership agreements with some African and Asian regional networks in 2015, building on the strong track record we have with similar partners in Latin America and the Caribbean (REDLACTRANS and REDTRASEX).

Strategic Response 4: Building a stronger Alliance so we can make our strategy happen

To achieve our ambitious targets and contribute to a world without AIDS, we need to do things differently and better. This response tracks our ability to ensure the Alliance remains relevant and valued by its members, and to maintain and expand our accreditation system.

RESULTS

Accreditation – the backbone of a strong Alliance

The accreditation system is how we guarantee standards and a shared sense of vision and values across the global Alliance. Using assessment teams from peer Linking Organisations, we rigorously assess good governance, organisational management and good practice HIV programming.

- Since the start of the strategy period in 2013, 26 Linking Organisations have initiated the enhanced accreditation process. At the end of 2015, 17 Linking Organisations had met all 38 standards and had been awarded accredited status. The Secretariat also met the required standards.

A valued Alliance

- On average, Linking Organisations rated the Alliance 3.9 out of 5 in our Alliance value index. For the fourth year running, the most important value remained 'credibility and prestige'.

Principal risks and uncertainties:

- This strategy has drawn attention to the diverse capacities, expertise, scale and contexts of Linking Organisations. Our 'segmentation approach' allows the Alliance to provide more tailored packages of support based on an analysis of the assets and needs of individual Linking Organisations, as well as an assessment of their ability to contribute to national coverage for HIV prevention, care and treatment. This approach offers good value for money but has generated tensions between the need to ensure meaningful participation of all parts of the Alliance, and the drive to be more efficient, effective and innovative.
- As donor funding becomes ever more competitive and funders seek greater assurances around our effectiveness and our efficiency, we must take the necessary steps to generate compelling evidence of community based HIV programming effectiveness, and embed our Value for Money framework across the Alliance, starting with the Secretariat.

- The Alliance is aware of the multitude of partners engaged in HIV and health responses at all levels and the impact that diminishing traditional funding is having on the sustainability of many civil society organisations particularly in middle income countries. In order to be seen as relevant, our partnership strategies will be transparent, respectful of the spaces already occupied, honour existing expertise and political engagement, and add value rather than duplicate effort. A particular focus on improving relationships with global and regional networks of key populations is in hand.

Looking forward

We agreed at the time of defining our strategy in 2012 we would review progress in 2015. To this end, in November 2015 the Alliance approved an updated strategy document *HIV, Health and rights: Sustaining Community Action 2016-2020* as well as a new strategy results framework, establishing the targets against which we present our results next year.

This new result framework sets 16 ambitious targets for us to track our progress against up to 2020. The framework is used internally for management, shared with donors regularly, and updated periodically to reflect changes in our programming environment. Our results framework is rooted in a theory of change that demonstrates how a strong Alliance partnership, which is evidence based and accountable to communities, leads to three main outcome areas:

1. Increased access to quality HIV and health programming;
2. Supporting community organisations to be connected and effective elements of health systems;
3. Advocating for HIV, health, gender and human rights.

There is no doubt we are at a significant moment in the response to AIDS, where the implications of inaction could be truly catastrophic. Despite our results last year we see a significant gulf between political declarations at the global level and country realities. Linking Organisations are responding to insufficient AIDS funding, uneven treatment coverage, poor treatment and prevention coverage for key populations, and continuing discrimination, stigma, and increasing human rights violations. All of this increasingly challenges us in the delivery of our strategy.

In terms of Alliance programming, we will continue to champion prevention efforts. This is where our programmes show the greatest impact. Last year, we were shocked to learn that new adult infections had declined by less than 10% globally. With the staggering figures of prevalence in key populations remaining static, we know we are in the middle of a prevention crisis that needs urgent attention. Understanding how the Alliance continues to engage in key locations and with key populations most affected will be a priority for us in the coming year.

While we are signed-up to the ambitious 90-90-90 targets that UNAIDS has developed, global treatment coverage remains a major challenge in almost all regions. Despite the huge improvement in treatment access in the last ten years, coverage of less than 40% amongst adults remains unacceptably low. We will focus on ensuring that all those who need it are offered lifesaving antiretroviral treatment, and are then sustained and supported to live long, healthy and independent lives. This means that we will have to re-focus our efforts to link prevention and treatment and do more and better work in community led treatment initiatives.

We cannot and will not ignore the unacceptably high number of adolescents who continue to die of AIDS related illnesses. While AIDS mortality rates have fallen by 30% in other age groups, there has been an increase of 50% in 10-18 year olds. The Alliance will scale up its programming for this under-served age group in 2016; meeting the need for age differentiated services, addressing the challenges of programming with adolescents under 18 and supporting the development of a new generation of leaders who can help bring an end to AIDS.

We must continue to play a strong role in building national capacity for strong community and health systems, while also advocating for inclusive and engaged societies. It is also important to ensure the Alliance's practice, evidence and lived experience is close to the technical debates happening in these agendas. The Alliance will continue in its role as a critical 'thought leader' for the HIV response with the publication of the second edition of the biennial AIDS Today publication at the end of 2016, and by convening high-level dialogues with key stakeholders, such as at the international AIDS conference to be held in Durban in July 2016.

For us to be able to adequately respond to changes in the external environment and to ensure that we stay relevant and efficient as a global partnership of independent Linking Organisations we will also make some changes to our work structures at the global level. These respond to decreasing levels of income, and a commitment to ensure that we channel a greater proportion of our funding to new initiatives led by our partners in the Global South. We will focus on creating a Secretariat that is agile, flexible and able to absorb the external shocks which we expect will continue to come our way in 2016 and beyond.

Moving forward to implement our updated strategic framework, the Alliance will continue to argue that communities need to be at the centre of responses to AIDS. This is essential if we are to address the human rights violations that keep people out of services, to ensure that everybody has equal access to quality and targeted services, to enable communities to participate in health care delivery in a meaningful way, and to ensure that those communities are able to play a watch-dog role in terms of service implementation and human rights protections. That is the way the Alliance works and we believe in this model as much today as we did twenty years ago.

Financial review

Trustees' responsibilities in respect of the Charity's accounts

The Trustees (who are also directors of International HIV/AIDS Alliance for the purposes of company law) are responsible for preparing the Strategic Report, the trustees' report and the financial statements in accordance with applicable law and regulations and United Kingdom Generally Accepted Accounting Practice. Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company (i.e. the Charity) and its group, and of its net resources for that period. In preparing those accounts the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the accounts
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group will continue its activities.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and which disclose with reasonable accuracy at any time the financial position of the Charity and its group, and enable them to ensure that the accounts comply with the Companies Act 2006 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, the Trustee directors certify that:

- so far as they are aware, there is no relevant audit information of which the Charity's auditors are unaware
- they have taken all steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Linking Organisations and Alliance global partnership accounts

The financial statements of the Charity and its group on pages 36 to 55 have been prepared in accordance with company law, as described above. The Alliance is a global partnership comprising the Charity and 33 independent

Linking Organisations. These Linking Organisations are legally independent entities not controlled by the Charity and therefore their accounts are not consolidated within the Charity group accounts. However, the Alliance global partnership accounts (the collective finances of the Charity and the Linking Organisations) are an important indicator of success in the Charity's work to end AIDS. The Linking Organisations receive some of their funding from the Charity and are able to increase funding received directly from donors by virtue of their Alliance membership. This section and the following charts therefore report on the finances of the global partnership, which includes both the Charity group accounts and the Linking Organisation members' accounts.

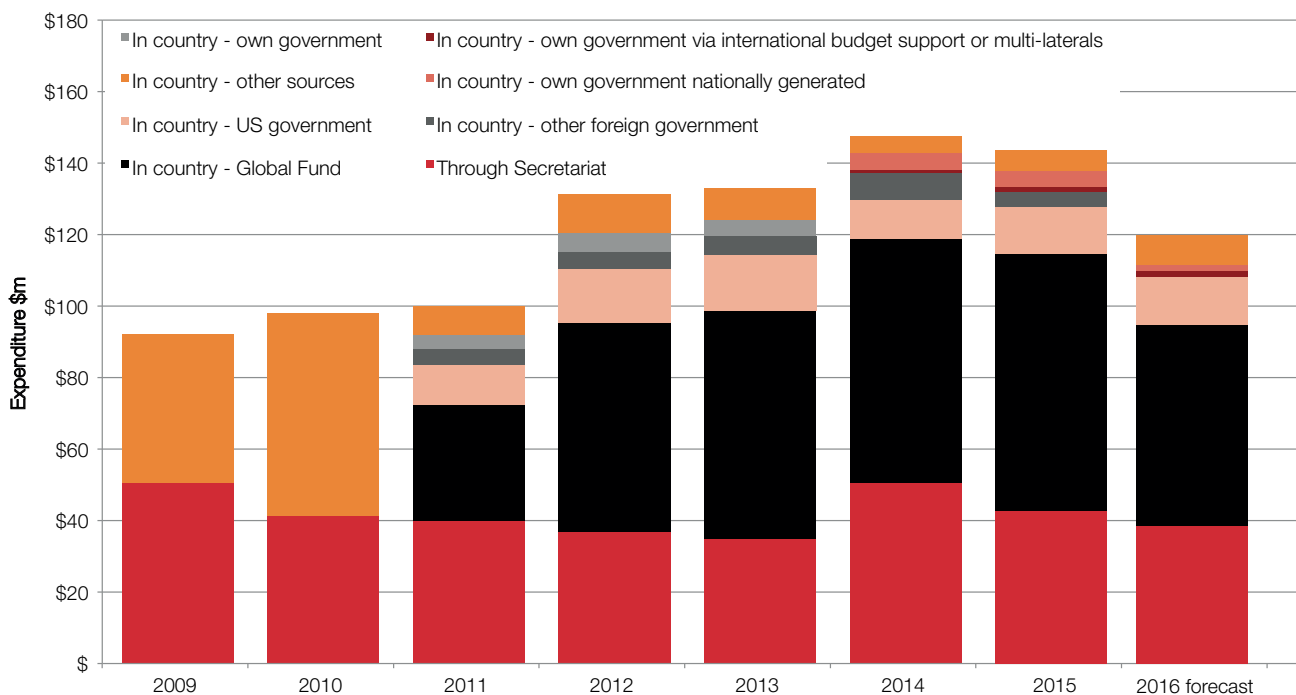
The planned process of transitioning Country Offices to Linking Organisations and helping Linking Organisations to secure funding directly in-country, rather than via the Charity's UK Secretariat, led from 2009 to year-on-year reductions in the total income and expenditure reported in the Charity's accounts. In 2014, this trend was broken because of the effect of the Ministry of Foreign Affairs of the Netherlands funded Link Up programme; a multi-million dollar programme focussed on improving sexual and reproductive health and rights for young people affected by HIV. The programme, managed through the Charity and delivered in five countries, had its most significant period of activity during 2014 and created this increase in Charity expenditure. The programme continued in 2015, but the programme, along with the Charity's overall expenditure and income, decreased compared to 2014.

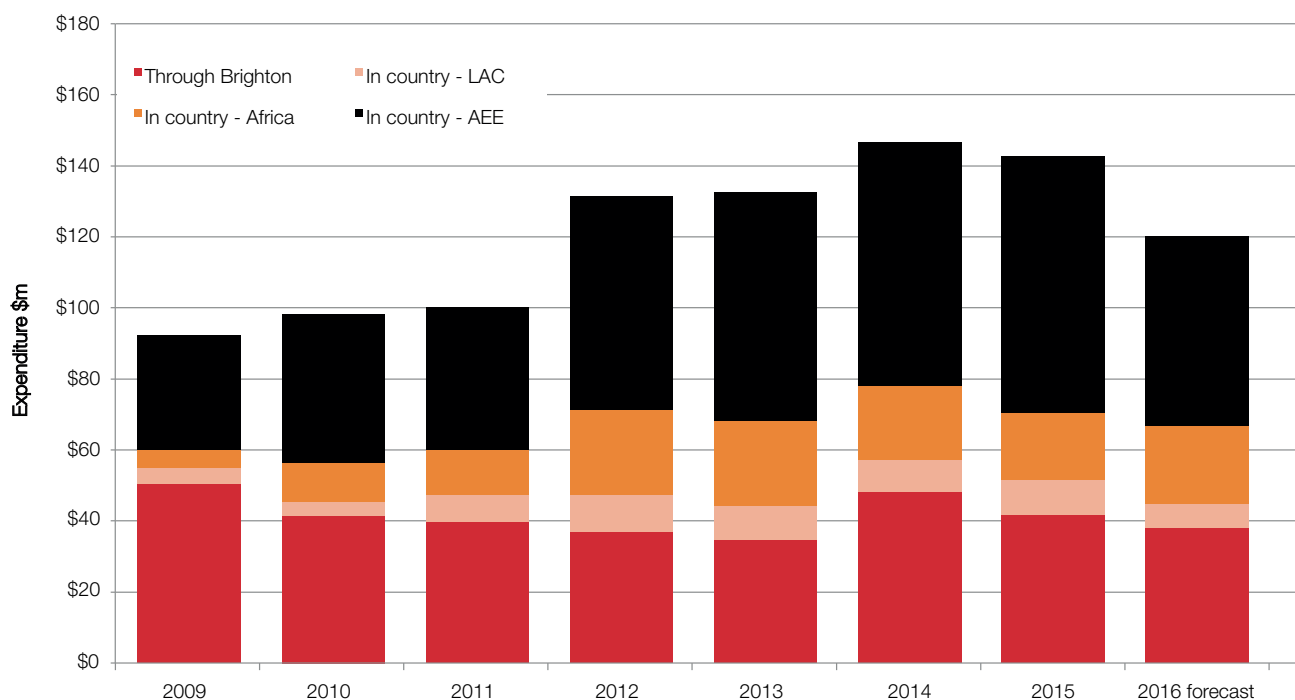
During the period of reductions in income and expenditure within the Charity's accounts, the income and expenditure within the Alliance global partnership accounts continued to grow year on year, in spite of a challenging global funding environment. A high point was reached in 2014, with total Alliance partnership expenditure of \$147 million. In 2015, expenditure has declined to \$142 million and it is forecasted to decline further in 2016 to \$120 million. This is due to a forecasted decline in funding to middle income countries, of which the most significant movement will be the reduction in the Global Fund grant received by the Ukrainian linking organisation Alliance for Public Health.

The funding the Alliance global partnership receives from the Global Fund represents a significant proportion of total expenditure achieved. For the financial years 2013 to 2015, Global Fund expenditure represented approximately half of total global partnership expenditure, with the proportion in 2015 specifically being 51% of total expenditure. The Global Fund will continue to represent a critical strategic and funding partner for the Alliance global partnership in the coming years and will play a key role in the Alliance global partnership achieving its strategy.

The first chart below shows the total expenditure of Alliance organisations in the years 2009 to 2015, and the forecast for 2016. The red segment of each bar represents the total expenditure recorded in the Charity’s group accounts, including Linking Organisations to the extent that they are funded through the Charity. The other segments show the additional expenditure of Linking Organisations on HIV that has been funded directly (rather than through the Charity) by donors. For 2011 onwards, this additional expenditure is broken down into the major donor types. The second chart shows the additional in-country expenditure broken down by region.

As noted in previous years, the increase in Alliance partnership expenditure represents progress in increasing the capacity of Linking Organisations to become strong, effective, financially independent organisations. The Charity’s strategy for 2013-20 recognises that more needs to be done to diversify the funding base of Linking Organisations, particularly as development funding is withdrawn from middle-income countries.





Commentary on the Charity's financial results for the year

This section is a commentary on the financial statements on pages 36-55, which report the financial results and position of the Charity; that is, the Secretariat in the UK plus the Country Offices. The expenditure of Alliance Linking Organisations is only included in those financial statements to the extent that the funding was channelled through the Secretariat in the UK.

The overall financial performance of the Charity in 2015 has been strong and leaves the Charity in a stable financial position leading into 2016, a year of both change and opportunities for the Charity as it continues towards its vision of a world without AIDS.

Total charitable expenditure has declined slightly from the previous year, moving from \$49m in 2014 to \$43m in 2015. The Charity has continued to deliver on a number of large multi-country programmes, in addition to continuing to invest in a number of important strategic initiatives.

In Africa, overall spending through the Charity's books decreased to \$20.5m (2014: \$25.8m). The Charity's major programmes in the region are the Netherlands government-funded Link Up programme in Burundi, Ethiopia and Uganda; the Community Action on Harm Reduction (CAHR) programme in Kenya, also funded by the government of the Netherlands; the USAID-funded SUNRISE programme for orphans and vulnerable children in Uganda; the child

and youth programme in South Sudan and the pan-African Key Populations (KP) Connect Programme, both funded by the Swedish government; and the Sexual Health and Rights Programme (SHARP) funded by the Danish Government, which operates in Kenya, South Africa, Tanzania, Uganda and Zimbabwe.

Spending through the Charity's books in the combined region of Asia and Eastern Europe and Latin America and the Caribbean has stayed virtually constant year-on-year in 2015, lowering very slightly to \$17.2m (2014: \$17.6m). In Asia and Eastern Europe the CAHR programme continued in Ukraine, India, China and Malaysia, along with the EC-funded Harm Reduction programme in six Asian countries and the Link Up programme in Bangladesh and Myanmar. In Latin America and the Caribbean, both Kimirina in Ecuador and Via Libre in Peru continued to implement their Global Fund-supported programmes.

Spending on strategic interventions during the course of 2015 was \$4.4 million, which completed a three year investment cycle from 2013 to 2015 where a total of \$11.2 million of funding has been invested in strategic interventions to drive forward the Charity's strategy. The significant achievements against the Charity's key strategic responses are a direct result of the investment that has been made during this period.

Support costs (shown in note five on page 46) have lowered to \$6 million in 2015, versus \$7 million in 2014. This reduction in support costs continues a general trend that the Charity has achieved since 2009. The Charity has a strategic priority of ensuring it continues to strengthen its investment in southern leadership. In order to achieve this, and to make the Secretariat more effective and cost efficient in its day to day operations, the Charity will complete a restructuring process during 2016.

The Charity's largest donors by value during the year were the governments of the Netherlands, Sweden, the United Kingdom, the United States, Denmark and Norway (through their respective international development agencies), together with the Global Fund to Fight AIDS, Tuberculosis and Malaria, and the European Commission. The Charity has a partnership programme arrangement with the UK government's Department for International Development for unrestricted funding. An extension of this current arrangement has been signed and will run through to 31 December 2016.

In 2016, the Ministry of Foreign Affairs of the Netherlands will again be the Charity's largest donor. 2016 is the final year of the three and a half year, \$43.8 million Link Up programme. This donor will also be supporting the Alliance with a new \$19.5m five year flexible strategic grant and a multi-year advocacy programme called 'Beat the AIDS Epidemic', which the Charity will be delivering with a Dutch partner, Aids Fonds/STOP AIDS NOW!

Financial effects of significant events

During the course of 2016, the Charity will undergo an organisational restructure. This change process will put in place a new structure to deliver the next phase of the Charity's strategy. At the balance sheet date, the Charity has recognised a provision in its accounts for the costs of this restructuring process. The specific details of the provision are summarised within note 15 of the accounts.

Performance of Charity's fundraising activities

The financial year 2015 was a strong year in terms of meeting fundraising targets, with a number of significant new funding agreements secured. This success has been achieved against the background of a challenging external donor environment, where the shape and focus of ODA funding continues to evolve. The funding secured will help the Charity to meet its financial objectives for the coming years and enable important charitable and programmatic work to continue. A summary of the new agreements follows:

- A new five year, \$22m programme focussed on advocacy and policy has been secured from the Ministry of Foreign Affairs of the Netherlands, in partnership with the Dutch organisation Aids Fonds/STOP AIDS NOW!.
- A new five year, \$19.5m strategic grant from the Ministry of Foreign Affairs of the Netherlands will allow the Charity to enhance our programming with adolescents and with people who inject drugs, in addition to supporting other priorities including our innovation programme.
- A \$4.6m extension to the Charity's programme partnership arrangement (PPA) with the UK's Department for International Development has been secured to the end of 2016 to support the delivery of the Charity's strategic goals.

Balance sheet and cash flow

The balance sheet and the cash flow statement show a decline in cash balances at 31 December 2015, compared to the previous year-end, with \$14m held in cash and cash equivalents (2014: \$21.5m). This is mainly due to the Link-Up programme, which at the 2015 year-end, is within its final phase. Through the lifetime of the agreement, the Netherlands Ministry of Foreign Affairs have funded the programme in advance. As the close of the programme in 2016 approaches, this advance funding has declined. Cash flow levels remained healthy during 2015 and the Charity will continue to hold sufficient cash balances to meet all operational needs during the course of 2016.

Income of \$5.4 million was deferred at year end, including \$1 million received for the Link Up programme, \$1.5 million from the UK Government for its partnership agreement and \$1.2 million received shortly before year end from the Government of Sweden for the next phase of the KP Connect programme.

Group structure

Branches and subsidiaries

The Charity's country offices are treated as branches of the Charity where they are not incorporated locally. The Charity now has just one branch country office, in Myanmar. The Charity's country office in Uganda closed in September 2015 when the USAID-funded SUNRISE programme came to an end. The Charity's fundraising and policy office in the United States is incorporated locally as a separate legal entity and is treated as a subsidiary. (For further details, see 'Organisational structure' on page 4). The regional representative office in Thailand, where the Charity was registered as a Foundation, was closed during 2015.

In practice there is little operational distinction between branches and subsidiaries, but in the financial statements, the assets and liabilities of the branches are included within the parent Charity balance sheet as well as within the group balance sheet, whereas the assets and liabilities of the subsidiaries are included only within the group balance sheet.

Principal risks and uncertainties

The Trustees have ultimate responsibility for identification of the risks to which the Charity is exposed. The risk management framework approved by the Trustees includes the following measures:

- The Finance and Audit Committee reviews the organisational risk register at its bi-annual meetings, assesses the risks facing the Charity and the measures put in place to mitigate them, and reports its findings to the Board of Trustees;
- Critical risks are monitored on an ongoing basis by the SMT, a process which includes monthly review of the organisational risk register. The chair of the Finance and Audit Committee is updated regularly on any significant new risks or other changes to the register by the Executive Director or the Director of Corporate Services;
- Secretariat teams maintain team risk registers which are reviewed regularly by departmental directors. Through the departmental directors, team risk registers inform the organisational risk register.
- The internal audit function carries out a programme of audits across all operations and activities, based on an annual internal audit plan approved by the Finance and Audit Committee.

The following principal strategic risks and uncertainties have been identified and the management actions relating to them are subject to regular review by the Finance and Audit Committee.

Risk	Management actions
<p>Funding</p> <p>The changing funding landscape results in the Charity being unable to raise the resources necessary to achieve its strategy 2016-2020.</p>	<ul style="list-style-type: none"> • Continue 3-year forecasting scenarios; • Develop and implement donor strategy; • Restructure Charity to lower cost base and ensure Charity is more agile and better able to manage shocks and sudden changes in external funding; • Continue to generate compelling evidence of community-based HIV programming effectiveness; • Continue to develop alternative income streams from non-ODA sources, with a particular focus on middle-income countries.
<p>Relevance</p> <p>The Charity is unable to remain relevant and to be innovative due to a changing HIV epidemic and policy environment.</p>	<ul style="list-style-type: none"> • Establish and strengthen links with relevant stakeholders (e.g. World Health Organisation); • An increased focus on evidence in the design and delivery of programmes; • Test and fund innovative approaches, for example through the successful implementation of an innovation fund.
<p>Strategic</p> <p>Poor engagement and working relationships with global and regional key population (KP) networks leads to reputational damage, loss of effectiveness and inability to sustain community response.</p>	<ul style="list-style-type: none"> • Develop strategic MOUs and other relationship mechanisms with global and regional KP networks; • Monitoring the funding base of Latin American regional network RETRASEX and supporting an income generation effort to replace the funding received from the Global Fund for the last 5 years.
<p>Programmes</p> <p>Poor quality programming (multi-country projects and LO programming) leads to ineffectiveness, not reaching targets, loss of relevance and funding.</p>	<ul style="list-style-type: none"> • Accreditation Cycle II includes HIV programme standards; • Multi-country funding decisions follow accreditation and segmentation guidance; • Tailored package of services for LOs from Secretariat; • Technical Assistance Fund (TAF) for programme development.
<p>Programmes</p> <p>Failure to deliver on restricted programme objectives, poor donor compliance, poor financial management or fraud leads to programme failure and reputational damage.</p>	<ul style="list-style-type: none"> • The Contracts and Agreements Team oversight including robust onward granting and monitoring procedures; • Risk-based internal audit plans; • Ensure high awareness of anti-fraud policy and robust investigation procedures when frauds are reported.
<p>People</p> <p>Organisational change management programme ('People Deliver') fails to deliver new culture, sense of urgency and high performance needed to achieve strategy.</p>	<ul style="list-style-type: none"> • SMT lead change management initiative; • Focussed staff training and performance management; • Close monitoring of the 'People Deliver' intervention (which aims to enhance employee engagement, deliver high performance, and encourage staff development).
<p>People</p> <p>Injury or abduction of staff member or Technical Support Hub consultant whilst working leads to reputational damage, corporate liability, and reduced staff morale.</p>	<ul style="list-style-type: none"> • Security management systems including LO security oversight, travel management and staff personal safety training; • Ensure functioning Crisis Management Team; • Engagement from TS Hub Managers on consultant personal safety.

Financial instruments and foreign exchange risk

The Charity's operations and working capital requirements are financed principally by a mixture of reserves and funds received in advance from donors. In addition, trade debtors (funds due from donors) and trade creditors arise directly from the company's operations.

The Charity's income is received mainly in US dollars, sterling, Swedish krona and euros with the balance in a range of others including other Nordic currencies. The costs of the Secretariat are primarily incurred in sterling, while the costs of in-country operations and support for partner organisations are incurred in around 20 different currencies.

The Charity's policy on foreign exchange, in summary, is that:

- the Charity will regularly review its net exposure to foreign exchange risk;
- the Charity will pass on foreign exchange risk to suppliers and partners where appropriate, and where it is appropriate that the Charity bears the risk, it will manage significant exposure by the use of forward contracts and options;
- the Charity will continue to hold liquid reserves mainly centrally, in US dollars, sterling and euros, subject to ensuring that partner organisations have sufficient cash locally to prevent disruption to services.

Reserves policy

The Charity's reserves policy was agreed at the April 2010 Trustees' meeting. The policy was reviewed at the November 2015 Trustees' meeting, to confirm that it continued to meet the Charity's financial objectives and sufficiently safeguarded the financial position of the Charity. The Trustees' review confirmed that the current reserves policy remained appropriate and concluded to retain the policy as detailed below.

The Charity has no long-term borrowings so all of its financing needs must be met from either reserves or current income. The Charity needs to hold reserves for the following main purposes:

- *to provide working capital for country operations.* The Charity normally pays grants to its partners for three months of planned activity, in advance. Some smaller grants are paid annually in advance. The Charity's own restricted funding from its donors, on the other hand, can be paid in arrears. Therefore the working capital needs of its country operations may need to be met from the Charity's unrestricted reserves.
- *to cover for a shortfall in funding for core costs.* The salaries and running costs of the secretariat are mainly covered by unrestricted funding, which comes from the UK and Nordic governments. If that funding were delayed, the Charity would need a buffer of unrestricted reserves to pay core costs in the meantime; and if unrestricted funding were discontinued or significantly reduced, the Charity would need unrestricted reserves to fund restructuring and redundancy costs. The target level of this element of unrestricted reserves is three months of Secretariat core costs.

- *to cover unbudgeted costs incurred by partner organisations.* The Alliance is a partnership of over 30 organisations worldwide, so it is normal that from time to time there will be emergencies or unanticipated costs that the Charity will want to support. There may not be sufficient contingency within a single year's budget, so to be able to respond to emergencies the Charity needs a contingency fund within unrestricted reserves. The target level of this element of unrestricted reserves is \$0.2 million.

The three requirements above are met from the General Fund. The target level for the first two is variable according to the values and the cash flow patterns of the budgets for the year, so the overall target level for the General Fund is reassessed annually. Based on budgets for 2016, the target minimum level for the General Fund is \$5.5 million. The Charity is currently above that short term minimum level with a balance of \$5.8 million at 31 December 2015, mainly because the Link Up programme is financed by the Netherlands government in advance, and so reduces the working capital requirement. After the Link Up programme ends, the Charity is likely to again need to provide working capital from reserves, so reserves are intended to be held at their current levels for the 2016 financial year.

In addition to the General Fund, the Trustees maintain a Programme Designated Reserve. This reserve account is maintained to fund important strategic interventions that the Charity is delivering as part of its strategy to 2020. The balance on this account at 31 December 2015 was \$3.5 million and these reserve funds will be utilised to support strategic interventions during 2016 and 2017, as part of a multi-year investment approach. Together, the General Fund and the Programme Designated Reserve make up the Charity's free reserves.

Separate unrestricted reserves are needed for the following purposes:

- *to cover the balance of funds invested in fixed assets.* The Charity's fixed assets have been acquired using unrestricted funds. The net book value of fixed assets is held in a separate reserve, to reflect the fact that that part of the Charity's reserves is not readily realisable to finance any other activity or obligation. At 31 December 2015, the balance on this reserve fund was \$2k.
- *to cover for foreign exchange losses.* Currency markets continue to be very volatile, and with major income and expenditure streams in over ten different currencies, the Charity is exposed to significant foreign exchange risk. Steps are taken to hedge against that risk in line with the foreign exchange risk policy set out above, but it is still prudent to retain a minimum balance in the Exchange Rate Revaluation Reserve to cover for unhedged foreign exchange losses. The target minimum value of the reserve is \$0.5 million. At 31 December 2015, the balance on this reserve fund was \$0.5 million.

The total funds held by the Charity at 31 December 2015 were \$9.8 million.

Liquidity and interest rate risk

The Trustees monitor the liquidity and cash flow risk of the Charity carefully. Cash flow is examined by the Trustees on a regular basis and action is taken as appropriate. The Charity did not need an overdraft in 2015, and will not need an overdraft in 2016. There are no long-term borrowings, so the Charity is not exposed to interest rate risk.

Investment policy and objectives

The Charity's investment policy was approved at the April 2013 Trustees' meeting. The objectives of the policy, in order of priority, are to ensure that the Charity's funds are held safely; to ensure that the Charity has sufficient liquidity to implement its programmes; and to achieve a return on surplus funds. Surplus funds may be invested in either:

- fixed-interest government or government-backed investments with less than five years to maturity which are rated AAA by either Standard & Poor's or Moody's;
- bank treasury deposits with terms of up to 12 months in banks that are rated at least A by both Standard & Poor's and Moody's and have been approved by the Trustees; or
- in a sterling common deposit fund managed by a corporate trustee, as approved by the Charity Commission.

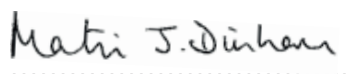
During the course of 2015, interest earned on investments totalled \$23,000. The objectives of the policy are to generate interest on the Charity's GBP, USD and EUR bank balances equal to the Bank of England, Federal Reserve and European Central Bank base rates. The Charity met this target in 2015.

In 2014, a review was undertaken of the above policy to confirm if it still aligned with the strategic and financial objectives of the Charity. It was concluded that the policy was fit for purpose and no material changes were proposed. The current policy will be reviewed again in November 2016.

Approval

This annual report of the Trustees, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees; this included approval in their capacity as company directors of the Strategic Report contained herein.

Signed on behalf of the Board of Trustees.



.....
Martin Dinham
Chair

23 June 2016

Independent auditors' report to the members of International HIV/AIDS Alliance

We have audited the financial statements of International HIV/AIDS Alliance for the year ended 31 December 2015, which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes numbered 1 to 25.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable group's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materiality inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2015 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006.

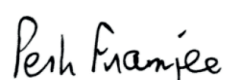
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate accounting records or returns adequate for our audit have not been received by branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Pesh Framjee
Senior Statutory Auditor

30 June 2016

For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
London

Consolidated statement of financial activities

for the year ended 31 December 2015

		2015	2015	2015	2014	2014	2014
	Notes	Restricted \$000	Unrestricted \$000	Total \$000	Restricted \$000	Unrestricted \$000	Total \$000
Incoming resources							
Donations and legacies		-	6	6	-	17	17
Income from investments	2	-	23	23	-	101	101
Income from charitable activities							
Grant income	3	28,132	12,712	40,844	34,869	11,783	46,652
Contract income	3	-	1,745	1,745	-	2,054	2,054
Total income and endowments		28,132	14,486	42,618	34,869	13,955	48,824
Resources expended							
Charitable activities	4, 5	28,132	13,445	41,577	34,869	14,036	48,905
Restructuring provision	15	-	897	897	-	-	-
Net loss on forward contract	25	-	81	81	-	-	-
Total expenditure		28,132	14,423	42,555	34,869	14,036	48,905
Net income/expenditure		-	63	63	-	(81)	(81)
Net movement in funds							
Funds brought forward	3	-	9,741	9,741	-	9,822	9,822
Total funds carried forward	3	-	9,804	9,804	-	9,741	9,741

The notes on pages 38 to 55 form part of these financial statements.

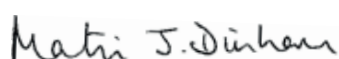
There are no recognised gains and losses other than those shown within the Consolidated Statement of Financial Activities.

Balance sheet

as at 31 December 2015

		2015	2015	2014	2014
		Group	Charity	Group	Charity
Notes		\$000	\$000	\$000	\$000
Fixed assets					
Tangible assets	8	2	2	5	5
Current assets					
Debtors	11	4,616	4,676	4,257	4,419
Short term deposits		4,448	4,448	4,053	4,053
Cash at bank and in hand	12	9,595	9,535	17,476	17,311
		18,659	18,659	25,786	25,783
Creditors:					
Amounts falling due within one year	13, 14	(7,960)	(7,960)	(16,050)	(16,047)
Net current assets		10,699	10,699	9,736	9,736
Provision for liabilities and charges	15	(897)	(897)	-	-
Net assets		9,804	9,804	9,741	9,741
represented by:					
Funds					
3					
Unrestricted					
General fund		5,826	5,826	5,823	5,823
Fixed asset fund		2	2	5	5
Exchange rate revaluation reserve		500	500	500	500
Programme designated reserve		3,476	3,476	3,413	3,413
		9,804	9,804	9,741	9,741
Restricted					
		-	-	-	-
Total charity funds		9,804	9,804	9,741	9,741

The financial statements were approved by the Board of Trustees and authorised for issue on 23 June 2016



Martin Dinham
Chair

The notes on pages 38 to 55 form part of these financial statements.

Consolidated cash flow statement

for the year ended 31 December 2015

		2015	2014
	Notes	\$000	\$000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	23	(7,477)	(4,197)
Cash flows from investing activities			
Dividends, interest and rents from investments	2	23	101
Purchase of property, plant and equipment	8	(32)	(60)
Change in cash and cash equivalents for the year		(7,486)	(4,156)
Cash and cash equivalents at the beginning of the year		21,529	25,685
Cash and cash equivalents at the end of the year		14,043	21,529

The notes on pages 38 to 55 form part of these financial statements.

Notes to the consolidated financial statements

1. Accounting Policies

Legal form of Charity

The International HIV/AIDS Alliance is registered as a limited liability company in England and Wales under number 2883774 and its registered office is Preece House, 91 - 101 Davigdor Road, Hove, BN3 1RE. The International HIV/AIDS Alliance is a Public Benefit Entity registered with the Charity Commission under number 1038860.

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with the Financial Report Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015. The date of transition to FRS102 was 1 January 2014 and in preparing the financial statements, the Trustees have considered whether the accounting policies required by the standard require the restatement of comparative information.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn.

Before approving the financial statements, the Trustees review and re-approve the detailed budget for the year following the balance sheet date (2016: the Trustees having originally approved the 2016 budget in November 2015), outline information for the following two years (2017 and 2018), and the major risks to which the Charity is exposed. These reviews have highlighted that a potential reduction in unrestricted funding could arise if core funding from the UK Government beyond 2016 is not renewed. The Charity is currently taking appropriate steps to manage this potential reduction, including restructuring the Charity's staff and cost base (described in more detail in note 15 of the financial statements) and securing alternative sources of unrestricted strategic funds. The Trustees believe that these steps will enable the Charity to continue to operate as a going concern, with the Charity needing to continue to evolve and adapt to the changing shape of the external funding environment. The financial statements are therefore prepared on the basis that the Charity is a going concern.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings in the USA and Thailand. The consolidation has been carried out on a line by line basis.

The subsidiary undertaking in Thailand, a foundation, ceased operations during 2015 and an application to legally dissolve the foundation was submitted on 7th September 2015. The Alliance's regional representative is now hosted by a local Thai organisation.

The Charity has a branch office in Myanmar, the results of which are included in the financial statements.

The Charity's branch in Uganda, Alliance Uganda, formally closed on the 14th October 2015. This closure had been planned and was aligned with the completion of the USAID-funded programme 'Strengthening Uganda's National Response for Implementation of Services of OVC (SUNRISE-OVC)'. The Charity will now work with its linking organisation, Community Health Alliance Uganda ('CHAU'), for all future programme work in Uganda.

No separate SOFA has been presented for the parent charity alone. The subsidiary undertakings in the USA and Thailand have incurred no income or expenditure outside of that provided by and reported to the Charity. Therefore, the SOFA of the parent charity is the same as the consolidated SOFA.

Funds structure

The Charity maintains two types of fund:

Unrestricted Funds

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity, and which are not subject to donors' restrictions. The Charity further divides unrestricted funds as follows:

- The Fixed Asset Fund, which represents the funds tied up in tangible fixed assets and therefore not immediately realisable
- The Programme Designated Reserve, which are funds the Trustees have set aside for particular purposes.
- The General Fund, which represents the working capital for the Charity and also provides a buffer, should there be a shortfall in income or unbudgeted costs. The Trustees review the level of the General Fund annually and have agreed in the Reserves Policy (see page 31) a target minimum level for the General Fund of \$5.5 million
- The Exchange Rate Revaluation Reserve, which holds a minimum balance of \$0.5 million to cover unhedged foreign exchange losses.

Restricted funds

Restricted funds are funds that must be used in accordance with specific instructions imposed by donors.

Transfers between funds

Transfers to or from the General Fund from other funds are made in accordance with the Charity's reserves policy.

Incoming resources

Incoming resources are included in the SOFA when the Charity is legally entitled to them, is reasonably certain of receipt, and the amount can be reliably measured. Incoming resources from charitable activities includes income from performance related grants; income and fees for contracts and services; and income from unrestricted grants. Voluntary income comprises public donations and is included when it is received.

The Charity receives funding from performance-related grants and contracts for direct and indirect programme costs and to provide sub-grants to other agencies. This funding is subject to contractual restrictions which must be met through incurring qualifying expenses for particular programmes.

Income arising from performance related grants is treated as restricted income. Income arising from contracts for services is recognised as unrestricted income, as any surplus or deficit remaining after the contract terms have been fulfilled is for the Charity to keep.

Revenue from performance grants and contracts is recognised only when funds have been utilised to carry out the activity stipulated in the agreement. This is generally equivalent to the sum of relevant expenditure incurred during the year and any related contributions towards overhead costs. Deferred income amounts received under these grants and contracts represents the amount of cash received in advance of earning revenue through the delivery of programme activities.

The Charity also receives some grants from governments and foundations that are not subject to contractual restrictions. Revenue from these grants is included at the time the contract is signed by the donor.

Resources expended

Charitable activities

Expenditure is recognised on an accruals basis. All costs are allocated to direct charitable activities. Support costs are allocated on a total cost basis. All salaries are allocated to either support costs or direct activities according to timesheets.

Contributions are paid to Alliance Country Offices and Linking Organisations overseas, and are given for two purposes, either to support the operating costs of the Country Office or Linking Organisation, or to provide funds for 'onward granting' to implementing partners.

Operations expenditure is recognised when expenses have been incurred by the Country Office or Linking Organisation and have been approved by the budget holder at the Charity.

Onward grants by Country Offices to implementing partners are recognised in line with the expenditure of the grant reported back to the Country Office by the implementing partner. Onward grants by Linking Organisations are recognised as expenditure in full on signing of the onward granting agreement with the implementing partner.

Governance costs

These are the costs associated with the governance arrangements of the Charity as opposed to those costs associated with fundraising or charitable activities. Governance costs include internal and external audit costs, and costs associated with constitutional or statutory requirements, for example the costs of Trustees' meetings or of preparing statutory accounts.

Functional and presentation currency

The functional and presentation currency of the Charity is US Dollars. A significant proportion of the Charity's funding and programme expenditure is denominated in US Dollars, therefore the Charity has elected to use US Dollars as its functional currency and the currency that the consolidated Financial Statements are prepared in.

Foreign exchange gains and losses

Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into dollars at the rate of exchange ruling at the date of the transaction or at an average monthly rate. Exchange differences are taken into account in arriving at the net movement in resources for the year.

Fixed assets and depreciation

Expenditure on tangible fixed assets is capitalised at original cost. The capitalisation limit is \$5,000.

Assets held by Country Offices are fully depreciated in the year of acquisition. Assets held by the Charity in the UK are depreciated on the straight-line basis over the estimated useful lives of the assets as follows:

Leasehold improvements: 7 years, or the term of the lease, whichever is shorter

Furniture and fixtures: 7 years

Computer equipment and software: 3 years

Office equipment: 3 years

A full year's depreciation is charged in the year of acquisition and none in the year of disposal.

Cash and cash equivalents and current asset investments

Cash and cash equivalents are measured through the US dollar equivalent cash value held by the group at the balance sheet date. Current asset investments are measured as the US dollar equivalent value of short term treasury deposits structured for a period of up to 12 months at the balance sheet date. The balances held in these short term treasury deposits are not intended to be used to fund working capital requirements in the immediate future.

Debtors

Debtor balances are made up of balances due from donors, amounts due from subsidiary companies, amounts advanced to partners, prepayments and other debtors.

Debtor balances due from donors are measured as the US dollar equivalent value of invoices submitted to donors for reimbursement of funds. Amounts due from subsidiary companies and amounts advanced to partners are both measured as the US dollar equivalent value of unspent funds at the balance sheet date. Prepayments are measured as the US dollar equivalent value of net amounts prepaid at the balance sheet date.

Provisions for liabilities and charges

Provisions for liabilities and charges are provided for where these arise from a legal or constructive obligation, as a best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Pensions

The Charity offers staff a range of benefits including membership of a defined contribution pension scheme. Where staff opt to join the scheme, the Charity makes employer's pension contributions to personal pension schemes. The assets of these schemes are held separately from those of the Charity in independently administered funds. In accordance with SORP 2015 'Retirement and post-employment benefits', contributions are charged to unrestricted and restricted funds on the same basis as other employee related costs.

Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

Financial instruments

Where the Charity has obligations denominated in one currency that are funded by grants or contracts denominated in another currency, it is exposed to the risk of movements in the exchange rate between those two currencies. In accordance with its foreign exchange policy (see page 31), the Charity may use forward contracts or options to reduce the risk arising from its significant foreign exchange exposures. Those contracts may commit the Charity to exchange a given amount of one currency for another at a future date, at a set rate. These contracts are classed as derivative financial instruments, because their value changes in response to changes in market foreign exchange rates. Accounting standards require derivatives to be held at fair value, with the change in value from one period to another taken through the Statement of Financial Activities. At the balance sheet date, any outstanding forward foreign exchange contracts or options would be revalued at the applicable forward rate for each contract at the year end. The unrealised gain or loss arising on revaluation is taken through the Statement of Financial Activities. The Charity does not hold or trade in any other type of derivative financial instrument.

Estimation of uncertainty

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in this accounting policies note and specifically relate to incoming resources and resources expended. In addition, the provision for the estimated costs of the organisational restructure, which are disclosed in note 15, represent another estimation of uncertainty.

2. Income from investments

Interest on treasury deposits and bank balances

2015	2014
\$000	\$000
23	101

3. Movement in resources

	Balance at 1/1/15	Incoming 2015	Transfers 2015	Outgoing 2015	Balance at 31/12/15
	\$000	\$000	\$000	\$000	\$000
RESTRICTED FUNDS					
amfAR, The Foundation for AIDS Research	-	72	-	72	-
Big Lottery Fund	-	427	-	427	-
Canadian Government	-	22	-	22	-
Conrad N. Hilton Foundation	-	422	-	422	-
Danish Government (Danida)	-	1,866	-	1,866	-
Dutch Government (BuZa)	-	16,061	-	16,061	-
Elton John AIDS Foundation	-	22	-	22	-
European Commission	-	1,359	-	1,359	-
German Government (GIZ)	-	217	-	217	-
Global Fund to Fight Aids, Tuberculosis & Malaria	-	1,895	-	1,895	-
Open Society Foundations	-	23	-	23	-
Rockefeller Foundation	-	15	-	15	-
Swedish Government (Sida)	-	1,665	-	1,665	-
Swiss Government (SDC)	-	5	-	5	-
UK Government (DFID)	-	15	-	15	-
United Nations	-	14	-	14	-
US Government (USAID)	-	4,017	-	4,017	-
Viiv Healthcare	-	12	-	12	-
Other restricted funds	-	3	-	3	-
Total restricted funds	-	28,132	-	28,132	-
UNRESTRICTED FUNDS					
Contracts					
US Government (USAID)	-	914	-	914	-
Other contract income	-	831	-	831	-
Subtotal contracts	-	1,745	-	1,745	-
<i>Unrestricted grants (details below)</i>		12,712			
<i>Other unrestricted income</i>		29			
<i>Total incoming resources on general fund</i>		12,741			
General fund	5,823	12,741	(4,745)	7,993	5,826
Fixed asset fund	5	-	(3)	-	2
Exchange rate revaluation reserve	500	-	250	250	500
Programme designated reserve	3,413	-	4,498	4,435	3,476
Total unrestricted funds	9,741	14,486	-	14,423	9,804
Total funds	9,741	42,618	-	42,555	9,804

Restricted funds relate to donor-funded programmes, with expenditure incurred in the delivery of those programmes through Linking Organisations and onward granting to implementing partners. Incoming resources on restricted funds are only recognised to the extent that these funds have been utilised to carry out programme activities as stipulated in the relevant agreements. Any funds received in excess of activity delivered are treated as deferred income. Note 14 summarises the amount of incoming resources deferred in the financial year ending 31st December 2015.

The programme designated reserve is approved by the Trustees for the delivery of the strategy, supported by detailed budgets and project plans. These are significant resources to explore and invest strategically in the pursuit of sustaining the Charity's linking organisations, and community responses more generally, in middle income countries and fragile states. The programme designated reserve was utilised to support \$4,435,000 of strategic activities during the course of 2015. At the 31st December 2015, the Trustees approved a transfer of \$4,498,000 into the programme designated reserve from the general fund, to meet the balance of strategic investment expenditure in 2015 and to fund further important strategic initiatives in 2016.

The exchange rate revaluation reserve is maintained to cover unhedged foreign exchange losses that arise in a particular year. During 2015, \$250,000 of foreign exchange losses were incurred, with the exchange rate revaluation reserve being drawn upon accordingly. At the 31st December 2015, the Trustees approved increasing the balance of this reserve back to the target minimum level of \$500,000 per the reserves policy.

Unrestricted grants include the following:

UK Government (DFID)
 Swedish Government (Sida)
 Danish Government (Danida)
 Norwegian Government (NORAD)

	2015	2014
	\$000	\$000
UK Government (DFID)	6,000	6,425
Swedish Government (Sida)	4,725	2,800
Danish Government (Danida)	1,512	1,677
Norwegian Government (NORAD)	475	595
	12,712	11,497

4. Charitable activities

	Support to Country Operations	Onward Granting	International Technical Assistance	Salaries	Support Costs	2015 Total	2014 Total (as restated)
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Asia & Eastern Europe and Latin America & the Caribbean	2,562	8,842	1,831	1,496	2,458	17,189	17,568
Africa	1,871	10,375	2,862	2,426	2,926	20,460	25,766
Policy	-	-	212	613	138	963	1,446
Technical Cooperation Unit	-	-	900	538	240	1,678	2,721
Programme Impact	-	-	350	753	184	1,287	1,404
Total	4,433	19,217	6,155	5,826	5,946	41,577	48,905

5. Support costs

	Asia & Eastern Europe and Latin America & the Caribbean	Africa	Policy	Technical Support	Programme Impact	2015 Total	2014 Total (as restated)
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Executive Directors Department	236	281	13	23	18	571	742
External Relations	676	804	38	66	51	1,635	1,735
Field Programmes Co-ordination	28	34	2	3	2	69	206
Corporate Services	1,242	1,479	70	121	93	3,005	3,343
Governance costs	71	85	4	7	5	172	285
Central costs	205	243	11	20	15	494	687
Total	2,458	2,926	138	240	184	5,946	6,998

In each geographical area a comprehensive portfolio of prevention, care and mitigation programmes is implemented. These activities are achieved through a combination of direct expenditure and onward granting. The policy, technical support and planning, analysis and learning activities of the UK Secretariat support the work of field programmes at a local, national and international level. Direct costs are used as the basis to apportion support costs across charitable activities. The support costs associated with onward granting were \$3,207,000 (2014: \$3,822,000).

6. Onward granting

The Charity grants funds to linking organisations (LOs). Linking organisations then support other non-governmental and community-based organisations working to further the Charity's charitable objectives within those countries by sub-granting the funds received. In countries where the Charity has a Country Office (CO) rather than an LO, the CO may make grants directly to local community based organisations. On rare occasions the Charity in the UK also grants funds directly to programme-implementing organisations ('implementing partners').

The Charity has a comprehensive onward granting policy and procedures manual that provides clear guidelines on the criteria for awarding grants to non-governmental and community-based organisations, to ensure that accountability and transparency is maintained. Grant renewal is subject to performance, review and re-planning. The Charity's standard sub-grant agreement provides for grant recipients over a value threshold of \$300,000 per annum to be audited. No grants are made to individuals.

Onward grants made during 2015 totaled \$23,650,000. Of this amount, the 20 most material grants totaled \$15,741,000. The 20 recipient organisations of these grants are listed as follows:

		2015 Group \$000	2014 Group \$000
Marie Stopes International	UK (Link Up partner)	3,765	3,423
Community Health Alliance Uganda (CHAU)	Uganda (LO)	1,409	2,691
Population Council	USA (Link Up partner)	1,216	1,561
The Organisation for Support Services for AIDS (OSSA)	Ethiopia (LO)	1,178	2,372
Kenya AIDS NGO Consortium (KANCO)	Kenya (LO)	1,091	1,101
Positive Vibes	Namibia (LO)	819	358
India HIV/AIDS Alliance	India (LO)	751	838
Alliance for Public Health (formerly International HIV/AIDS Alliance in Ukraine)	Ukraine (LO)	727	658
AIDS Care China	China (LO)	619	469
Alliance for Community Health Initiatives (ACHI)	South Sudan	575	1,185
Ashar Alo Society	Bangladesh	538	-
Alliance Burundaise Contre le SIDA (ABS)	Burundi (LO)	490	620
Via Libre	Peru (LO)	445	255
Center for Supporting Community Development Initiatives (SCDI)	Vietnam (LO)	364	166
MAMTA	India (LO)	352	406
Alliance Nationale Contre le SIDA (ANCS)	Senegal (LO)	351	279
Rumah Cemara	Indonesia (LO)	289	315
Myanmar Positive Group (MPG)	Myanmar	275	204
Malaysian AIDS Council (MAC)	Malaysia (LO)	251	233
Icebreakers Uganda	Uganda	236	68

At the 31st December 2015, the Charity had a total of \$379,000 of funding committed that has not been recognised as a liability or a provision. These committed funds relate to two grant agreements signed with linking organisations. A grant agreement signed with the linking organisation CHAU in December 2015, for charitable activities to be delivered in the financial year 2016 under the Dutch Government funded Link Up programme, made a total commitment up to 30th June 2016 of \$331,000. This commitment will be funded through Link Up programme funds. Separately, a grant agreement signed with Positive Vibes to 31st December 2017 for the delivery of activities associated with the Sida KP Connect programme has committed funds that have not been expended of \$48,000 at the 31st December 2015. This commitment will be funded by Sida KP Connect programme funds.

7. Staff numbers and costs

The average number of employees of the group for the year was 163 (2014: 168). The aggregate costs of these staff were as follows:

	2015 Group	2014 Group as restated
	\$000	\$000
Salaries	8,383	9,192
Social security costs	667	704
Pension costs	476	528
Severance costs	189	103
Provision for restructuring	897	
	10,612	10,527

During the financial year, the following key management personnel received total emoluments of \$840,000 for services to the Charity.

- Executive Director
- Director of External Relations
- Director: Corporate Services
- Associate Director: Asia, Eastern Europe, Latin America & Caribbean
- Associate Director: Africa
- Associate Director: Technical Cooperation Unit
- Associate Director: Programme Impact

The Executive Director is the highest paid employee within the Charity.

Additionally, severance payments were paid to 3 employees during 2015, who departed the charity under mutual consent, with a total cost of \$189,000. All payments were made by the end of the year, with no outstanding liabilities.

The numbers of employees whose emoluments for the year fell within the following bands were:

	2015 Group number	2015 Charity number	2014 Group number as restated	2014 Charity number as restated
\$200,000 - \$209,999	-	-	1	-
\$190,000 - \$199,999	-	-	-	-
\$180,000 - \$189,999	-	-	1	1
\$170,000 - \$179,999	-	-	-	-
\$160,000 - \$169,999	1	1	-	-
\$150,000 - \$159,999	-	-	-	-
\$140,000 - \$149,999	1	1	-	-
\$130,000 - \$139,999	2	2	2	2
\$120,000 - \$129,999	1	-	2	2
\$110,000 - \$119,999	8	7	6	6
\$100,000 - \$109,999	4	4	7	5
\$90,000 - \$99,999	6	6	4	4

8. Tangible fixed assets

Group	Furniture and fixtures	Computer equipment and software	Office equipment	Motor vehicles	Total
	\$000	\$000	\$000	\$000	\$000
Cost at 1 January 2015	663	326	202	155	1,346
Additions for the year	4	-	14	14	32
Disposals for the year	(14)	(62)	(31)	(133)	(240)
Cost at 31 December 2015	653	264	185	36	1,138
Accumulated depreciation at 1 January 2015	663	326	197	155	1,341
Depreciation for the year	4	-	17	14	35
Depreciation on disposals	(14)	(62)	(31)	(133)	(240)
Accumulated depreciation at 31 December 2015	653	264	183	36	1,136
Net book value at 31 December 2015	-	-	2	-	2
Net book value at 31 December 2014	-	-	5	-	5

Charity	Furniture and fixtures	Computer equipment and software	Office equipment	Motor vehicles	Total
	\$000	\$000	\$000	\$000	\$000
Cost at 1 January 2015	663	322	202	155	1,342
Additions for the year	4	-	14	14	32
Disposals for the year	(14)	(58)	(31)	(133)	(236)
Cost at 31 December 2015	653	264	185	36	1,138
Accumulated depreciation at 1 January 2015	663	322	197	155	1,337
Depreciation for the year	4	-	17	14	35
Depreciation on disposals	(14)	(58)	(31)	(133)	(236)
Accumulated depreciation at 31 December 2015	653	264	183	36	1,136
Net book value at 31 December 2015	-	-	2	-	2
Net book value at 31 December 2014	-	-	5	-	5

All fixed assets are held for charitable use.

9. Investments - Charity

Fixed asset investments

Investment in non-UK subsidiary undertakings

International HIV/AIDS Alliance, Inc. - one share of common stock of one dollar

	2015 \$	2014 \$
	1	1

10. Subsidiary undertakings

The following companies are subsidiary undertakings of the International HIV/AIDS Alliance. Both are incorporated outside the UK, and both operate offices which support community action on HIV and AIDS. Only International HIV/AIDS Alliance, Inc has a share capital (see note 9).

The Thai foundation ceased operations during 2015 and an application to legally dissolve the company was submitted on 7th September 2015. Confirmation of the dissolution is awaited from the local authorities.

The income, expenditure and aggregate amount of the assets, liabilities and funds of these subsidiaries for the year ended 31 December 2015 is as below and solely represents trading between these subsidiary undertakings and the International HIV/AIDS Alliance. Any amounts due from subsidiary undertakings to the International HIV/AIDS Alliance solely relate to the US subsidiary:

Country	Name of subsidiary	Date of incorporation	Year end	Income \$000	Expenditure \$000
USA	International HIV/AIDS Alliance, Inc	2 May 2003	31 December	417	417
				Assets \$000	Liabilities \$000
				62	79
					Funds \$000
					(17)

Country	Name of subsidiary	Date of incorporation	Year end	Income \$000	Expenditure \$000
Thailand	International HIV/AIDS Alliance Foundation	31 Dec 2009	31 December	24	24

All assets were disposed of and liabilities settled in the Thai Foundation during the year 2015. No balances were held at the 31st December 2015.

The net reserves of these subsidiaries was nil as at 31st December 2015. The incoming resources of the parent charity were \$42,618,000 with resources expended of \$42,555,000.

There were no further related party transactions during the course of 2015.

11. Debtors

	2015 Group \$000	2015 Charity \$000	2014 Group \$000	2014 Charity \$000
Due from donors, including accrued income	2,828	2,828	2,503	2,503
Amount due from subsidiary companies	-	62	-	175
Advances to partner organisations	1,297	1,297	1,164	1,164
Other debtors	226	225	294	284
Prepayments	265	264	296	293
	4,616	4,676	4,257	4,419

Advances to partners made by the Charity take the form of concessionary loans. These loans are non-interest bearing and are repaid to the Charity in the form of services delivered by partners. The carrying amount of these concessionary loans in the Charity and Group are equivalent to the balance of advances to partners at the 2015 financial year end.

12. Cash and cash equivalents

	2015 Group \$000	2015 Charity \$000	2014 Group \$000	2014 Charity \$000
Balances held by subsidiaries	60	-	165	-
Balances held by Country Office branches	280	280	913	913
Balances held by the Secretariat	9,255	9,255	16,398	16,398
	9,595	9,535	17,476	17,311

"Cash and cash equivalents" refers to funds held by the Charity for the delivery of donor-funded programmes. In 2014, a considerable amount of funds were received for programme delivery and onward granting to implementing partners. During the course of 2015, these funds were disbursed and utilised to deliver planned programmatic and strategic activity, leading to the lower cash balance see at the 2015 financial year end.

13. Creditors falling due within one year

	2015 Group \$000	2015 Charity \$000	2014 Group \$000	2014 Charity \$000
Trade creditors	464	464	652	652
Due to partner organisations	788	788	2,700	2,700
Other creditors	540	540	147	144
Tax & social security	167	167	167	167
Accruals	648	648	923	923
Deferred income	5,353	5,353	11,461	11,461
	7,960	7,960	16,050	16,047

14. Deferred income

	Group \$000	Charity \$000
Balance at 1 January 2015	11,461	11,461
Amount released to incoming resources	(11,103)	(11,103)
Amount deferred in the year	4,995	4,995
Balance at 31 December 2015	5,353	5,353

Deferred income includes cash amounts received under performance related grants and contracts for which qualifying expenses have not yet been incurred.

15. Restructuring provision

A provision has been made for the estimated cost of the organisational restructure which is described in the Trustees' report on page 9. The expected costs of staff redundancies have been charged to expenditure in 2015, and the actual redundancy payments made during 2016 will be set against the provision.

	2015 \$000
Balance at 1 January 2015	
Charged to SOFA during the year	897
Balance at 31 December 2015	897

16. Trustees' emoluments and reimbursed expenses

No Trustees were remunerated for their role during the year.

Travelling and accommodation expenses for 11 Trustees for attendance at meetings amounted to \$37,483 (2014: \$144,581).

No other transactions were entered into with the Trustees.

17. Indemnity insurance

The Charity maintains a directors and officers insurance policy both to protect itself and indemnify the Trustees from the consequences of any neglect or default on the part of the Trustees, employees or agents of the Charity. This insurance is included in a Commercial Combined Package with an overall cost of \$52,526 for the period 1 January-31 December 2015.

18. Auditors' remuneration

	2015 \$	2014 \$
Fee for the statutory audit	50,408	65,088
Fees for other services:		
Fee for the RCA (USAID compliance) audit	16,308	23,767
Other grant audits	70,491	41,162
Total fees, excluding VAT	137,207	130,018

19. Analysis of net assets between funds

	Restricted \$000	Unrestricted \$000	Total \$000
Fund balances at 31 December 2015 are represented by:			
Group			
Tangible fixed assets	-	2	2
Investments	-	-	-
Net current assets	-	10,699	10,699
Total net assets	-	10,701	10,701
Charity			
Tangible fixed assets	-	2	2
Investments	-	-	-
Net current assets	-	10,699	10,699
Total net assets	-	10,701	10,701

20. Limited liability

The Charity is limited by guarantee, the liability of each member being limited to £1.

21. Taxation

The Charity is not liable to pay UK taxation on its charitable income or capital gains.

22. Obligations under operating leases

At 31 December 2015 the group had non-cancellable lease commitments as shown below:

	2015 \$000	2014 \$000 as restated
	Land and buildings	Land and buildings
Due within one year	398	442
Due within one and five years	40	427
Due after five years		

A break clause of the lease on Preece House, the Charity's head office, will be exercised by the Charity during the summer of 2016. The Charity will vacate the first floor of this building. Therefore, the leases on both floors are treated as being cancellable within one year.

During 2015, lease payments of \$419,000 were expensed in the group.

23. Note to the cash flow statement

Reconciliation of net incoming resources to net cash inflow/(outflow) from operating activities

	2015 \$000	2014 \$000
Net incoming/(outgoing) resources for the year	63	(81)
Less: investment income and interest receivable	(23)	(101)
Add back: depreciation charges (non-cash)	35	155
Add back: Provision for liabilities and charges (non-cash)	897	
Movements in working capital (see detail below)	(8,449)	(4,170)
Net cash inflow/(outflow) from operating activities	(7,477)	(4,197)

Movements in working capital are as follows:

	2015 \$000	2014 \$000
(Increase)/decrease in debtors	(359)	49
Increase/(decrease) in creditors	(8,090)	(4,219)
	(8,449)	(4,170)

24. Specific donor disclosures

Netherlands Ministry of Foreign Affairs:

Choices & Opportunities Fund 2011-2014

In 2010 the Charity was awarded EUR 10m over the four years 2011 - 2014 by the Netherlands Ministry of Foreign Affairs (BuZa) from their Choices & Opportunities Fund for the programme Community Action on Harm Reduction. On 21st November 2014 a one-year cost extension of EUR 2.5m was awarded. The unspent balance of the grant at 2015 year end (EUR 143,249) is to be used to fund final reporting costs in the first three months of 2016. The key financial totals for the programme are as follows.

	2010 EUR	2011 EUR	2012 EUR	2013 EUR	2014 EUR	2015 EUR	Total EUR
Cash received during the year	1,250,000	2,500,000	1,250,000	2,500,000	2,000,000	2,375,000	11,875,000
Interest allocated	-	8,029	6,888	5,546	6,771	2,734	29,968
Expenditure incurred	-	(1,938,661)	(2,856,381)	(2,685,286)	(2,308,289)	(2,568,134)	(12,356,751)
Balance carried forward (within deferred income, note 14)	1,250,000	1,819,368	219,875	40,135	(261,383)	(451,783)	(451,783)
	USD	USD	USD	USD	USD	USD	USD
USD value of expenditure incurred and income recognised in the accounts (note 3)	-	2,604,932	3,712,127	3,611,685	3,069,830	2,875,681	15,874,255

No interest was allocated in 2010 because the cash was not received until 20 December. The programme started in 2011.

SRHR Fund

In November 2012 the Charity was awarded USD 43,849,824 over the three years 2013 - 2015 by BUZA from their SRHR fund for the Link Up programme. On 15th January 2015 a nine-month no-cost extension was awarded. The first cash instalment of USD 8,031,000 was received on 18 December 2012 and activities commenced on 1 January 2013. The key financial totals for the programme are as follows.

	2012 USD	2013 USD	2014 USD	2015 USD	Total USD
Cash received during the year	8,031,000	8,031,000	12,354,000	10,139,000	38,555,000
Interest allocated	799	25,801	30,963	10,774	68,337
Expenditure incurred and income recognised in the accounts (note 3)	-	(7,903,203)	(16,532,043)	(13,344,323)	(37,779,569)
Balance carried forward (within deferred income, note 14)	8,031,799	8,185,397	4,038,317	843,768	843,768

Ministry of Foreign Affairs of Denmark

SHARP

In November 2012 the Charity was awarded DKK 25,000,000 over the three years 2013-2015 by DANIDA for the Sexual Health & Rights Programme (SHARP). Funding is received in DKK and then converted to USD, with USD being the reporting currency for the programme. The key financial totals for the programme are as follows.

	2012 USD	2013 USD	2014 USD	2015 USD	Total USD
Cash received during the year (DKK)	9,000,000	8,000,000	8,000,000	-	25,000,000
Cash received during the year (USD equivalent)	1,559,549	1,453,875	1,353,190	-	4,366,614
Interest allocated	153	4,243	6,389	2,038	12,823
Expenditure incurred and income recognised in the accounts (note 3)	(14,248)	(886,424)	(1,511,759)	(1,866,284)	(4,278,715)
Balance carried forward (within deferred income, note 14)	1,545,454	2,117,148	1,964,968	100,722	100,722

25. Financial instruments

Sections 11 and 12 of FRS 102 require the disclosure of the role that financial instruments have had during the year in creating or changing the risks that the Charity faces in undertaking its activities. The main financial risk the Charity is exposed to is foreign exchange risk, which applies because there is a mismatch between the currencies in which the Charity is funded and the currencies in which the Charity incurs expenditure and obligations.

The Charity manages foreign exchange risk in accordance with its foreign exchange policy, set out on page 31, which includes the use of forward contracts or options to reduce risk on significant foreign exchange exposures. At 31st December 2015, the Charity is committed to purchasing a total of GBP £1,531,000 under a forward contract, which matures on 30th September 2016. Included within other creditors, this contract has a net liability of \$81,000, as spot rate is expected to be lower than the contracted forward rate when the contract matures in 2016. The fair value of this net liability has been reached by revaluing the contract at the applicable forward rate at the year end, with the resultant loss being taken through the Statement of Financial Activities.

Below is a table summarising the carrying amount of all financial assets and liabilities at the year-end date.

	2015 \$000	2014 \$000
Financial assets measured at amortised cost	18,659	25,786
Financial liabilities measured at amortised cost	(2,521)	(4,422)
Financial assets measured at fair value through the statement of financial activities		
Financial liabilities measured at fair value through the statement of financial activities	(81)	
Carrying amount of financial assets/liabilities	16,057	21,364

About the International HIV/AIDS Alliance

We are an innovative alliance of nationally based, independent, civil society organisations united by our vision of a world without AIDS.

We are committed to joint action, working with communities through local, national and global action on HIV, health and human rights.

Our actions are guided by our values: the lives of all human beings are of equal value, and everyone has the right to access the HIV information and services they need for a healthy life.

“At the heart of our strategy is the ambition to bring about healthy people, stronger health and community systems, and inclusive and engaged societies.”