

RAPPORT D'ACTIVITÉ 2011



Notes to the financial statements of Sidaction

Year ended December 31, 2011

Departures from and changes in significant accounting policies

The financial statements have been prepared and presented in accordance with the French accounting regulations applicable to associations and foundations. There were no departures from or changes in significant accounting policies during 2011. The statement of uses of incoming resources has been established following the provisions of French Accounting Regulatory Committee (Comité de la réglementation comptable - CRC) Regulation No. 2008-12 of May 7, 2008, approved by the ministerial order of December 11, 2008.

↓ NOTES TO THE STATEMENT OF FINANCIAL POSITION

Assets

Intangible assets

Total as of Dec. 31, 2010	2011 Acquisitions	2011 Diminutions	Total as of Dec. 31, 2011
€ 74,401	-	-	€ 74,401

(Straight-line amortization over the assets' useful lives)

Property, plant and equipment

Calculations are based on the assets' estimated periods of use. The main depreciation periods used are as follows: fixtures, fittings and printers: **5 years**, office furniture: **3 years**, desktop computers: **3 years** and laptops: **2 years**.

→ Buildings

Total as of Dec. 31, 2010	2011 Acquisitions	2011 Diminutions	Total as of Dec. 31, 2011
€ 1,090,997	-	-	€ 1,090,997

(Non-depreciable items: works of art)

→ Fittings at the association's headquarters

Total as of Dec. 31, 2010	2011 Acquisitions	2011 Diminutions	Total as of Dec. 31, 2011
€ 202,840	-	-	€ 202,840

(Straight-line depreciation over the assets' useful lives)

→ Computer hardware

Total as of Dec. 31, 2010	2011 Acquisitions	2011 Diminutions	Total as of Dec. 31, 2011
€ 212,570	€ 5,541	€ 59,942	€ 212,570

(Straight-line depreciation over the assets' useful lives)

→ Office furniture

Total as of Dec. 31, 2010	2011 Acquisitions	2011 Diminutions	Total as of Dec. 31, 2011
€ 25,580	-	-	€ 25,580

(Straight-line depreciation over the assets' useful lives)

Financial assets

This amount primarily represents the security deposit paid by the association for its administrative offices. These are therefore non-current receivables (due in more than one year).

Inventories

As of December 31, 2011, inventories amounted to €63,109 and included the store and regional office inventories.

Advances and prepayments

Advance and prepayments relate to permanent advances to employees who regularly travel abroad (including to the French overseas departments) and an advance to a partner on the Grandir project.

Receivables

As of December 31, 2011, receivables stood at €63,065. The amount corresponds to invoices not yet paid.

Other receivables

Other receivables, amounting to €147,768, mainly represent grants not yet received as of December 31, 2011. All receivables are due within one year.

Marketable securities

The net asset value of marketable securities as of December 31, 2011 was €6,952,966. Unrealized gains stood at €9,890.

Cash and cash equivalents

As of December 31, 2011, cash and cash equivalents consisted of:

- donations in transit which cleared the bank in January 2012 but were dated 2011 totaling €490,039,
- the association's bank (including post office) current accounts in credit totaling €106,016,
- 2 passbook savings accounts (Livret A) (of which, one earns tax exempt interest) amounting to €154,819,
- cash on hand for €614.

Prepaid expenses

Prepaid expenses amounted to €208,086 as of December 31, 2011.

Net funds and liabilities

Net Funds

The statutory endowment of €46,175 was maintained. The €1,524,490 reserve approved by the General Meeting in 1998 was increased by the General Meeting in 2008 by €500,000 to €2,024,490, through the allocation of a portion of the 2007 surplus.

Provisions for risks and charges

Provisions for risks and charges of €456,943 correspond to a 2008 grant and five labor court disputes.

Advances and deposits received

The €28,000 advance concerns receipts not yet billed as of December 31, 2011.

Trade payables

Trade payables in the amount of €889,051 correspond to expenditures incurred in the last quarter of 2011, to be paid in 2012.

Tax and social security liabilities

Tax and social security liabilities for €1,089,537 consist of:

- payroll-related expenses incurred in the fourth quarter of 2011, for which payments were made in January 2012 (€191,498),
- 2011 tax expense, settled in February 2012 (€69,730),
- provisions for paid leave (€819,191),
- a provision for insecurity bonuses for fixed-term employment contracts (contrat à durée déterminée - CDD) in force as of December 31, 2011 (€9,118).

Other liabilities

Other liabilities in the amount of €51,801 are due within one year.

Deferred income

Deferred income stood at €303,883 as of December 31, 2011. It consists of receipts in 2011 relating to projects.

Off-statement of financial position commitments**Social programs**

In the process of awarding funding, the commitments made by the Board of Directors become enforceable only after the signing of a funding agreement with the third-party recipient of the funds. However, it seemed useful to list herein all the funding decisions of the Board of Directors. Commitments made in 2011 are as follows:

	Prevention and Assistance to People living with HIV fund	Research fund
Balance of financial support payable as of Dec. 31, 2010	€ 6,220,447	€ 7,637,873
New commitments in 2011	€ 6,393,858	€ 7,049,645
2011 payments for previous commitments	(€ 101,209)	(€ 464,447)
Other 2011 payments	(€ 6,528,790)	(€ 6,554,863)
Surplus amounts allocated to 2011 payments	-	€ 21,500
Refunds and cancelations on current funding	(€ 15,486)	
Balance of financial support payable as of Dec. 31, 2011	€ 5,968,820	€ 7,689,708

The financial support for programs in developing countries is allocated half to the Research fund and half to the Prevention and Assistance to People living with HIV fund.

Commitments received

A €640,000 French Development Agency (Agence Française de Développement - AFD) grant (Grandir project) was approved on January 24, 2011, half of which will be used in 2012 and the remainder in 2013.

↓ NOTES TO THE STATEMENT OF FINANCIAL ACTIVITIES**Breakdown of incoming resources****→ Sales of goods purchased for resale include:**

- subscriptions to the Transversal and Together newspapers for €3,974 and
- online store sales for €27,611.

→ Operating grants (€1,188,016) comprise:

- grants from the French Development Agency (€688,566) and the City of Paris (€350,000), as well as from AREVA (€15,000) in connection with international projects,

- grants from the French Directorate General of Health (€98,200), the French Ministry of Justice (€30,000), the French National Institute for Prevention and Health Education (€1,250) for Prevention and Assistance to People living with HIV programs in France, and
- a grant from the French National Agency for Research on Aids and Viral Hepatitis (€5,000) with respect to the University for Young Researchers.

Reversals of provisions (€95,815) relate to employees that have left the association.

→ Other incoming resources include:

- royalties, copyrights and broadcast rights on the albums "Together", "Christmas Together", "Love United", "10 Years Together", etc. (€33,604),
- donations from the public (€12,412, 241),
- income from various fundraising activities conducted for the benefit of Sidaction and Transversal (€1,911,063),
- restricted donations (€2,060,000),
- income from bequests received during the year after official authorization, as well as from life insurance contracts (€2,410,546),
- membership fees (€1,060),
- miscellaneous operating income (€87,043),
- miscellaneous project income (€5,606).

Financial income (€97,269) relates to gains on the short-term investment of the association's cash and cash equivalents and to discounts offered by suppliers in the second half of 2011. In the context of the financial crisis, since 2008 Sidaction has held only guaranteed-capital investments.

Non-recurring income (€22,268) concerns the trade-in of photocopiers to our maintenance service provider.

Non-recurring expenses

Non-recurring expenses in the amount of €20,957 represent the net carrying value of photocopiers disposed of in 2011.

Reimbursement of Directors' expenses

In 2011, Sidaction incurred €32,865 in expenses related to the Directors' participation in Board of Directors' meetings and General Meetings. This amount essentially corresponds to travel expenses of the members of the International College.

Valuation of donations and contributions in kind

In accordance with the 2008 guidance of the French General Inspectorate of Social Affairs, the value of voluntary work and contributions in kind received by Sidaction has been assessed.

→ Voluntary work

In order to assess the applications for funding submitted by associations, research laboratories, young researchers and the healthcare sector, Sidaction uses association managers, scientists and physicians who volunteer their experience in the fight against AIDS during the process of allocating funds raised from the general public. Before the committee meetings, these volunteers appraise the funding applications and meet in plenary sessions to discuss the projects presented or in select committees to evaluate the projects supported, requests to delay or change the allocation of funds, requests for emergency assistance, or requests for one-time funding.

As of December 31, 2011, the AIDS Organization Committee responsible for assessing applications for assistance to people living with HIV submitted by French associations had 24 members.

The Scientific and Medical Committee charged with evaluating scientific and medical research applications and applications submitted by young researchers had 27 members, while the Quality of Life and Quality Care Committee had 15.

The International Committee in charge of applications filed by foreign associations in the context of the international call for tenders and calls for Homosexuality in Africa, Ethics and Excluded Populations projects had 20

members (including eight members responsible for applications under the Grandir - Pediatric HIV program), while the Training Committee in charge of Training in Developing Countries programs had 13 members.

It takes two to three experts and one to three hours to evaluate each application, depending on the type of the project submitted. Taking into account the number of cases (funding requests or evaluations) reviewed, the time input by experts in 2011 to examine Sidaction's allocation of funds is estimated at:

- 3,000 work hours for the experts on the AIDS Organization Committee,
- 1,679 work hours for the experts on the Scientific and Medical Committee,
- 496 work hours for the experts on the Quality of Life and Quality Care Committee,
- 782 work hours for the experts on the International Committee,
- 264 work hours for the experts on the Training Committee.

As part of the programs conducted by Sidaction, various experts are also called to participate in working groups and reflection groups, such as the group of experts on prisons or the reflection group on prevention for youth or Prevention for Gays. In 2011, they performed 948 hours of volunteer work.

Finally, experts on various committees and notably the Presidents are regularly asked to participate in communication events conducted by the association. They volunteered 389 work hours in 2011.

The diversity of professional and personal situations of each of these people, who all bring in quality expertise, does not make it possible to evaluate financially the 7,558 work hours they offered us.

Furthermore, Sidaction also used volunteers to organize fundraisers and communication events and to occasionally assist various Sidaction departments. We have chosen to value every voluntary work hour at the minimum hourly wage.

The generosity of the 4,000 volunteers who, as part of the Sidaction Media 2011 event, received calls from viewers wishing to make a donation, included 9,430 hours of phone answering valued at a total of €131,039.

Also as part of fundraising, we held various events (Fashion Dinner, Supportive Chefs, Sunday Bingo, etc.) during which we made use of volunteers for a total of 406 hours, representing a contribution of €5,642.

Volunteers also assist us at various events such as the World AIDS Day on December 1 or fundraising through Vélib. A total of 3,112 work hours representing €43,244 were input for these activities.

→ Services and other contributions in kind

Sidaction Media, through which the association raises about a quarter of its annual resources, could not exist without the generosity of our partners, such as the 17 media that for three days open their airwaves to Sidaction, the companies that let us use their call centers for receiving pledges, or the display networks, newspapers and magazines, and the websites that disseminate information about our fundraising campaigns.

It is impossible to accurately measure the value of these services offered to us for free, due to the lack of an appropriate reference, as no similar activities are conducted in the for-profit sector. For 2011, we valued a portion of these services at €594,525, broken down as follows:

- dissemination of information on fundraising campaign: €588,255,
- providing call centers for receiving pledges: €6,270.

We also received free help when organizing the Fashion Dinner (€97,559), the Sunday Bingo (€23,517) and other various fundraising and communication events (€3,990 in total).

In addition, international programs received free goods valued at €1,918 (medical equipment for the Homosexuals in Africa program and free ARV drugs).

Our IT service provider offered us a discount in the form of a partial waiver of bills amounting to €19,360.

All contributions in kind were measured at the actual cost of the services or goods, when known, or the cost of similar services or goods.

Compensation of the top three executives (within the meaning of Article 20 of the Law of May 23, 2006)

The top three executives of Sidaction are the Chairman, Vice Chairman and Treasurer. They received no compensation from Sidaction.

Top five highest paid employees

The top five highest paid employees received compensation totaling €319,727.

Provisions for retirement bonuses

As of December 31, 2011, the amount of the association's liability for retirement bonuses, determined using the methods prescribed by French employment law (Droit du travail), was immaterial. As such, no provision was recognized for this liability.

Employees' individual right to training (Droit Individuel à la Formation - DIF)

Accumulated individual right to training hours earned by employees totaled 4,021 hours.

Change in the composition of staff

Category	Headcount as of Dec. 31, 2010	New hires*	Left*	Headcount as of Dec. 31, 2011
Non-managers	12 indef.-term 2 fixed-term	5 indef.-term 4 fixed-term	1 indef.-term 4 fixed-term	16 indef.-term 2 fixed-term
Managers	41 indef.-term 0 fixed-term	5 indef.-term 2 fixed-term	2 indef.-term 1 fixed-term	44 indef.-term 1 fixed-term
TOTAL	55	16	8	63**

* Corresponding to 58 FTEs.

** Including promotions from non-management to management or conversions of fixed-term contracts to indefinite-term contracts

Statutory Auditors' fees

Pursuant to Decree No. 2008-1487 of December 30, 2008, for the year ended December 31, 2011, the fees paid to the Statutory Auditors for the statutory audit amounted to €10,130, while the fees for directly related services totaled €53,173.

Bequests and donations

6 life insurance contracts and 11 bequests accepted by the Board of Directors were received in 2011:

File no.	Type	Estimated amount	File no.	Type	Estimated amount
11/001/A	Life insurance	€25,286	06/005/L	Cash (accounts excl. securities) and property	€1,968,797 (fonds + 4 BDI*)
11/002/A	Life insurance	€70,742	07/008/L	Cash and property	€72,242
11/003/A	Life insurance	€4,459	08/003/L	Cash and property	€612
11/004/L	Life insurance	€12,807	09/005/L	Cash (money)	€26,534
11/005/A	Life insurance	€36,071	09/006/L	Cash (savings plan)	€27,558
11/006/A	Life insurance	€129	10/001/L	Cash	€50,000
01/006/L	Copyrights	€5,197	11/001/L	Cash	€44,032
03/001/L	Cash (accounts excl. securities) and property	€19,867			
03/006/L	Cash and property	€13,333			
06/002/L	Bank accounts (incl. securities) and property	€38,076			

* GRP Goods, Rights and Property

Bequests and donations accepted by the Board of Directors but not yet received amounted to €438 thousand.

Statement of uses of incoming

Year ended December 31, 2011

USES	2011 uses = statement of financial activities	Allocation by use in 2011 of incoming resources from the general public
1. Social programs	€16,746,549	€11,292,548
1.1 In France		
Activities carried out by Sidaction	€2,108,415	€1,421,748
Funding of other organizations operating in France	€8,972,440	€6,050,304
1.2 Outside France		
Activities carried out by Sidaction	€1,486,912	€1,002,656
Funding of other organizations operating outside France	€4,178,782	€2,817,840
2. Fundraising expenses	€4,811,249	€3,244,326
2.1 General public	€4,594,221	€3,244,326
2.2 Private funds	€217,028	-
2.3 Public grants and other assistance	-	-
3. Operating expenses	€1,739,422	€1,172,929
I. TOTAL USES FOR THE YEAR RECOGNIZED IN THE STATEMENT OF FINANCIAL ACTIVITIES	€23,297,220	€15,709,803
II. Charges to provisions	€119,317	-
III. Outstanding commitments on restricted Funds	€20,356,115	-
IV. Net surplus over incoming resources for the year	-	-
V. GRAND TOTAL	€43,772,652	€15,709,803
VI. Share of gross acquisitions of non-current assets for the year paid for from incoming resources from the general public	-	-
VII. Neutralization of depreciation and amortization of non-current assets fully paid for from incoming resources from the general public	-	-
VIII. Total uses of incoming resources from the general public	-	-
VALUATION OF VOLUNTARY CONTRIBUTIONS IN KIND		
Social programs	€1,918	-
Fundraising expenses	€921,406	-
Operating and other expenses	-	-
TOTAL	€923,324	-

resources from the general public

SOURCES	2011 incoming resources = statement of financial activities	Incoming resources from the general public and used in 2011
Balance of unused unrestricted incoming resources from the general public, as of Jan. 1, 2011		
1. Incoming resources from the general public	€15,709,803	€15,709,803
1.1 Donations and bequests received		
Informal donations - unrestricted	-	-
Informal donations - restricted	€12,412,202	€12,412,202
Bequests and other gifts - unrestricted	-	-
Bequests and other gifts - restricted	€2,415,743	€2,415,743
1.2 Other income from the general public	€881,858	€881,858
2. Other private incoming resources	€3,154,834	-
3. Public grants and other assistance	€1,188,016	-
4. Other income	€207,647	-
I. TOTAL RESOURCES FOR THE YEAR RECOGNIZED IN THE STATEMENT OF FINANCIAL ACTIVITIES	€20,260,300	-
II. Reversals of provisions	€95,815	-
III. Unused restricted resources brought forward	€23,416,537	-
IV. Change in restricted funds received from the general public (See Schedule of restricted funds)	-	-
V. Net deficit on incoming resources for the year	-	-
VI. GRAND TOTAL	€43,772,652	€15,709,803
Total uses of incoming resources from the general public	-	€15,709,803
Balance of unused unrestricted incoming resources from the general public, as of Dec. 31, 2011		
VALUATION OF VOLUNTARY CONTRIBUTIONS IN KIND		
Volunteer work	€182,454	-
Services in kind	€738,951	-
Goods in kind	€1,918	-
TOTAL	€923,324	-

↓ NOTES TO THE STATEMENT OF USES OF INCOMING RESOURCES COLLECTED BY SIDACTION

Statement of uses of incoming resources - basis of preparation

French Accounting Regulatory Committee Regulation No. 2008-12 of May 7, 2008 regarding the preparation of an annual statement of uses of incoming resources by associations and foundations, approved by the ministerial order of December 11, 2008, provides a standard framework applicable as from January 1, 2009. Sidaction has been applying this regulation for the last three years.

Note on the uses of incoming resources

The new format of the statement of uses of incoming resources shows total expenses for the year and the portion financed by incoming resources from the general public. Uses of incoming resources totaled €23,416,537 in 2011.

SOCIAL PROGRAMS

Sidaction's by-laws define social programs as follows: "Sidaction is participating in the fight against AIDS through the collection and distribution of funds intended to finance research and initiatives relating to preventative actions, mutual assistance, improvement of the quality of life and assistance to people living with HIV and/or those close to them. The association supports the implementation of new initiatives, as well as the development and expansion of existing initiatives."

Under the standard framework for the annual statement of uses of incoming resources, social programs are broken down into:

- activities carried out in France, and
- activities carried out outside France,

and further split between:

- activities carried out directly by Sidaction, and
- funding of other associations or research organizations fighting against AIDS.

Activities carried out in France

→ Activities carried out by Sidaction

The activities supported by Sidaction in France (totaling €2,108,415) were as follows:

- activities relating to education, preventative actions and assistance to people living with HIV under the FDA, Prevention and Assistance in Prisons, Employment, Prevention for Youth and Prevention for Gays programs: €1,042,408,
- activities that promote scientific and medical research, as well as improvements in the quality of life and quality care of people living with HIV, which are carried out in France or through research organizations based in France, as part of Social Sciences, Improving Quality of Life and Quality Care, Research in Developing Countries, and Young Researchers programs: €706,085, and
- informational activities, such as the Transversal magazine, and exchange and awareness events: €359,922.

In accordance with the regulations, the activities conducted directly by Sidaction are shown inclusive of direct and indirect expenses that are only incurred because of the social programs.

These expenses can be grouped into three main categories:

1. Direct program expenses

This category includes purchases, services rendered, travel expenses, audit fees, as well as the salaries and related payroll expenses for program managers.

2. Fund monitoring, advisory services and training

These comprise the costs of appraising and monitoring the projects funded (committee meetings, monitoring the organizations receiving funding), salaries and related payroll expenses, and direct general and administrative expenses in connection with the departments supporting the programs (associations, scientific and international). Costs relating to programs conducted directly by the association are excluded.

3. Indirect activity expenses

This category includes a percentage of overhead expenses, primarily related to buildings and equipment. As in 2009, overhead expenses are allocated based on square meters of office space used by the department and the project. The space allocation schedule is updated every year to take into account changes in headcount and facilities layout.

→ Funding of other organizations operating in France

This item includes Sidaction's funding of organizations participating in the fight against AIDS in France, such as education, preventative actions and assistance to people living with HIV in France, as well as programs for scientific and medical research; projects to improve the quality of life of people living with HIV; and co-funding of conferences.

Analysis of the funding of programs in France:

	2011 Funding
Funding - Assistance to People living with HIV	€4,439,399
Balance of calls for tenders as of Jan. 1, 2011	€2,629,298
2011 calls for tenders	€625,797
Call for project - French Departments of Americas	€238,244
Call for project - Employment	€300,106
Call for project - Prevention and Assistance in Prisons	€286,800
Call for project - Prevention for Gays	€300,899
Emergency Funding for associations	€58,255
Funding - Young Researchers	€2,974,142
Balance of calls for tenders as of Jan. 1, 2011	€2,735,834
2011 permanent call for tenders	€238,308
Funding - Assistance to Research Teams	€1,043,491
Balance of calls for tenders as of Jan. 1, 2011	€757,073
2011 permanent call for tenders	€286,418
Funding - Improving Quality of Life and Quality Care	€447,839
Balance of calls for tenders as of Jan. 1, 2011	-
2011 call for tenders	€447,839
2011 conference support	€67,569
TOTAL FUNDING - France	€8,972,440

Activities carried out outside France

→ Activities carried out by Sidaction

International programs funded by Sidaction are all the programs in Africa, Asia, Eastern Europe and South America managed by the International Programs department. They relate to:

- expanding our global presence,
- actions to combat AIDS conducted in developing countries and countries in transition, and
- providing support to international conferences on the fight against AIDS.

Funding for these activities amounted to €1,486,912 under the following programs:

- Paris AIDS South,
- Training in Developing Countries,
- Excluded Populations,
- Ethics in Research,

- Homosexuals in Africa,
- Grandir - Children,
- medicines, and
- one-time funding,

as well as emergency funding, advocacy activities and the implementation of new projects.

→ Funding of other organizations operating outside France

This item includes Sidaction's funding of organizations whose activities in developing countries and countries in transition include fighting against AIDS, prevention and assistance to people living with HIV, and research, as well as funding of conferences.

Analysis of international programs:

	2011 Funding
Funding - Assistance to People living with HIV and Research	€3,364,678
Balance of calls for tenders as of Jan. 1, 2011	€1,427,137
2011 calls for tenders outside France	€25,000
Call for tenders - Paris AIDS South	€421,874
Call for tenders - Excluded Populations	€513,000
Call for tenders - Ethics	€14,667
Call for tenders - Grandir	€436,705
Call for tenders - Homosexuals in Africa	€242,987
One-time funding	€283,308
Funding - Training in Developing Countries	€731,104
Conference support	€83,000
TOTAL FUNDING - Outside France	€4,178,782

FUNDRAISING EXPENSES

These expenses totaled €4,811,249 and broke down as follows:

- Expenses related to raising resources from the general public,
- Expenses related to obtaining private funds, and
- Expenses related to obtaining public grants and other assistance.

Fundraising expenses - general public

This item includes all direct costs related to calls for donations (design, production and distribution of mail, newsletters, organization of Sidaction Media, etc.), processing of donations (issuance of tax receipts, database, financial expenses, etc.), as well as expenses related to institutional communication, mainly to donors (website, annual report) or to notaries and the general public as part of developing the bequests policy.

Expenses related to Sidaction Media amounted to €1,037,169, and comprised the costs of concomitant direct marketing building on the program to generate contributions (€639,565).

Expenses related to raising resources from the general public totaled €4,594,221. These included, in addition to €1,037,169 in expenditures to organize Sidaction Media:

- other expenses related to raising resources from the general public (€3,190,044),
- expenses related to raising resources from the general public on the website (€97,657),
- expenses related to reporting to donors and partners of the association, and media relations expenses (€34,506), and
- expenses for the processing of bequests, as well as for communication with notaries and the general public (€48,246).

This item also includes the direct costs of operating the collections and communication department, purchases of goods and services, conference attendance fees, salaries and payroll-related expenses, allocated overheads based on office space occupied, and communication costs such as media relations and institutional communication.

Indirect costs amounted to €186,599 and consisted of a share of the association's overhead costs.

Fundraising expenses - private funds

This item includes the expenses related to seeking out corporate partnerships and sponsorships, the store, prestigious events and parties, such as the Fashion Dinner and Supportive Chefs (equipment purchases; logistics and organization expenditures; design, production and distribution of documents; etc.).

Direct expenses for other activities related to fundraising totaled €217,028, of which €190,071 for organizing the Fashion Dinner in January 2011.

Fundraising expenses - public grants and other assistance

The association had no expenses directly related to obtaining public grants and other assistance.

OPERATING EXPENSES

Included in operating expenses are all costs relating to the association's governance (organization of Board of Directors' meetings, directors' travel, insurance of the members of various bodies), the Administration and Finance department (accounting, statutory audits, legal, human resources management, salaries and payroll-related expenses, financial expenses not directly related to social programs or fundraising activities, etc.), executive management (assignments, travel and salaries) and the share of overhead expenses allocated to the Administration and Finance department and to executive management based on office space occupied.

The association's operating expenses for its administration totaled €1,739,422.

Note on the uses in 2011 of incoming resources from the general public

The presentation of the annual statement of uses of incoming resources provides for the different treatment of uses depending on the source of the applicable funds. With the exception of expenses directly related to raising funds from the general public and those expenses that are completely excluded, incoming resources from the general public are allocated to uses based on the percentage of total actual uses versus total budget amounts. As such, Sidaction's incoming resources from the general public are evenly allocated to uses that are not designated to consume restricted funds.

SOCIAL PROGRAMS FUNDED BY CONTRIBUTIONS FROM THE GENERAL PUBLIC

The percentage of actual implementation of social programs compared to the overall budget of Sidaction is the same as the percentage funded by incoming resources from the general public. In 2011, social programs represented 71.52% of the overall operations, of which €11,292,548 was financed by incoming resources from the general public.

Only certain incoming resources from public and private donors, essentially an endowment fund and corporate foundations, are subject to specific uses. Uses specified in such funding agreements have a special cost accounting treatment and are therefore excluded from the portion funded by incoming resources from the general public.

Activities carried out in France

→ Activities carried out by Sidaction

Payments in respect of activities in France funded by incoming resources from the general public amounted to €1,421,748:

- €702,917 for preventative actions and assistance to people living with HIV,

- €476,128 for scientific and medical research activities, and
- €242,703 for exchange and awareness events.

→ Funding of other organizations operating in France

Payments to organizations in France funded by incoming resources from the general public amounted to €6,050,304:

- €2,993,580 for organizations carrying out preventative actions and assistance to people living with HIV,
- €3,011,161 for organizations with scientific and medical research activities, and
- €45,563 for conference support.

Activities carried out outside France

→ Activities carried out by Sidaction

Payments in respect of activities outside France funded by incoming resources from the general public amounted to €1,002,656.

→ Funding of other organizations operating outside France

Payments to organizations outside France funded by incoming resources from the general public amounted to €2,817,840.

FUNDRAISING EXPENSES FUNDED BY INCOMING RESOURCES FROM THE GENERAL PUBLIC

In 2011, fundraising expenses funded by incoming resources from the general public represented 20.65% of operations, or €3,244,326.

OPERATING EXPENSES FUNDED BY INCOMING RESOURCES FROM THE GENERAL PUBLIC

Once the costs of social programs and fundraising expenses have been fully covered, we allocated a portion of the operating expenses to the remaining balance of incoming resources from the general public. This allocation amounted to €1,172,929, representing 7.47% of operations.

Charges to provisions (II)

Additions to provisions and depreciation and amortization expenses totaled €119,317 and consisted of provisions for risks relating to labor court disputes.

Outstanding commitments (III)

Outstanding commitments correspond to the change in restricted funds recognized annually in accordance with the French chart of accounts.

Note on incoming resources

The regulation that prescribes the preparation of a statement of uses of incoming resources makes a distinction between the funds raised directly from the general public and those from other sources. For the year ended December 31, 2011, the total amount of incoming resources was €20,356,115.

INCOMING RESOURCES FROM THE GENERAL PUBLIC

In 2011, the activities involving contributions from the general public raised €15,709,803 from individuals, corporations, associations and local authorities.

In accordance with Article 19 of Sidaction's by-laws, which states: "Net incoming resources received by the association after deduction of administrative and fundraising expenses are distributed by the Board of Directors as follows:

- 50% to fund activities relating to research and the improvement of the quality of life of people living with HIV in France and abroad, and
 - 50% to fund activities relating to information, prevention, mutual assistance, improvement of the quality of life and assistance to people living with HIV and/or those close to them in France and abroad.",
- all the incoming resources of Sidaction are deemed allocated.

Donations and bequests received

→ Informal donations - restricted

Donations received from individuals totaled €12,412,202, broken down as follows:

- €4,318,045 received via Sidaction Media of April 1-3, 2011 (compared to €4,306,217 received during the 2010 event),
- €7,368,686 came from direct marketing activities (€8,031,657 in 2010). These activities used the donor data file* updated during fundraising activities conducted by the association from 1994 to 2011, as well as addresses obtained through exchanges with other organizations requesting donations from the general public, and
- €725,471 from fundraising on the internet.

→ Bequests and other gifts - restricted

In 2011, we received €2,415,743 from:

- 11 charitable bequests (€2,266,247) and
- 6 life insurance contracts (€149,494).

Other incoming resources

Donations received from corporations resulted from fundraising activities targeted directly at the general public at national and regional level. These contributions amounted to €881,858:

- Sidaction Media: €471,657
- targeted fundraising: €253,136, and
- regional authorities: €157,065.

OTHER PRIVATE FUNDS

Other private funds include all other fundraising from private donors, excluding funds from the general public. Private funds totaled €3,154,834, broken down as follows:

- Pierre Bergé Endowment Fund: €2,000,000,
- Line Renaud's fundraising activities: €28,407. The Line Renaud Fund consists of sales and copyrights relating to music albums,
- corporate sponsorships and business partnerships totaling €344,491, including Fondation Mac (€145,000), Sidaction Media's partners (€134,326), Gilead (€25,000), Janssen (€25,000), VIIV (€10,000) and Cetsi (€5,165), and
- parties and events benefiting Sidaction: €781,936. In 2011, Sunday Bingo brought in €8,779, in addition to the funds provided by the traditional Fashion Dinner (€736,240) and Supportive Chefs (€36,917).

* This data file was registered with the French National Commission on Data Protection under no. 456932 on August 6, 1996. It meets the requirements of Law No. 78-17 of January 6, 1978 on Data Processing, Data Files and Individual Liberties.

INFORMATION PUBLIC GRANTS AND OTHER ASSISTANCE

As part of the programs carried out directly by Sidaction, we apply for grants from public institutions. In 2011, we obtained the following grants totaling €1,188,016:

- from the French Development Agency, which took over funding from the French Ministry of Foreign and European Affairs for the Grandir, Formacap and Homosexuals in Africa (co-funded by Aides) programs: €688,566,
- from the City of Paris for the Paris AIDS South program: €350,000,
- from the French Directorate General of Health for programs in the French Departments of the Americas (FDA) and the Prevention and Assistance in Prisons program: €98,200,
- from the Ministry of Justice for the Prevention and Assistance in Prisons program: €30,000,
- from Areva for the Kidzpositive project: €15,000,
- from the ANRS for the University for Young Researchers: €5,000, and
- from the INPES for the Prevention for Youth program: €1,250.

OTHER INCOME

Other income amounted to €207,647, broken down as follows:

- financial income relating to gains on short-term investments forming part of the association's cash and cash equivalents: €97,269,
- other operating income: €56,487,
- non-recurring income: €22,268,
- store sales: €22,099,
- equipment sales: €5,550, and
- subscriptions to the Transversal magazine and Together (Ensemble) newspaper: €3,974.

REVERSALS OF PROVISIONS AND ACCUMULATED DEPRECIATION AND AMORTIZATION (II)

Reversals of provisions and accumulated depreciation and amortization amounted to €95,815 and concerned the reversal of liabilities for two employees who have left the association.

Unused restricted incoming resources brought forward

The required presentation of the statement of uses of incoming resources was designed to enable the year-to-year tracking of the outstanding balance of unrestricted incoming resources received directly from the general public. However, due to statutory requirements, all our funds are deemed restricted (see table of restricted funds below).

As such, the amount of restricted funds not used in the prior year and brought forward equals the amount of restricted funds used during the reporting year.

Voluntary contributions in kind

This new item tracks measurable voluntary contributions made to Sidaction during the year.

Voluntary contributions in kind included:

- volunteer work: €182,454,
- services: €738,951, and
- goods: €1,918.

Depending on the purpose of the contribution, voluntary contributions were used on the following:

- social programs: €1,918, and
- fundraising expenses: €921,406.

Volunteer work hours that could not be measured are excluded from the statement of uses of incoming resources.

Sidaction's governance is the responsibility of the Board of Directors. The Directors are volunteers involved in the fight against AIDS in France and abroad, in particular as regards the areas of prevention, assistance to people living with HIV, as well as medical research and care.

In the process of evaluating applications for funding by groups of experts in different areas, Sidaction uses association managers, scientists and physicians who volunteer their experience in the fight against AIDS.

The diversity of professional and personal situations of these people, who bringing in quality expertise, does not make it possible to evaluate financially the 7,558 work hours they offered us.

↓ NOTES TO SIDACTION'S OUTSTANDING COMMITMENTS

Commitments to associations involved in education, preventative actions and assistance to people living with HIV, as well as commitments to research programs and programs for improving quality of life and quality care, which were approved and outstanding as of December 31, 2011, totaled €13,658,528.

In addition to its own programs, in 2011 Sidaction committed €3,712,618 to education, preventative actions and assistance to people living with HIV, which were carried out by other associations in France. Payments made in 2011 totaled €4,439,399. As of December 31, 2011, the outstanding balance of such commitments, after taking into account any surpluses or refunds (€15,486), was €3,651,290.

In connection with programs for scientific and medical research and for improving the quality of life and quality care of people living with HIV, in addition to its own programs, Sidaction committed €4,072,736 in 2011 to young researchers, research teams, and conference support.

Payments made in 2011 amounted to €4,533,041. As of December 31, 2011, the outstanding balance of such commitments, after taking into account any surpluses or refunds (€21,500), was €5,372,178.

In 2011, Sidaction committed €5,160,062 to programs fighting against AIDS in developing countries and countries in transition. Payments made in 2011 totaled €4,178,782. As of December 31, 2011, the outstanding balance of such commitments was €4,635,060.

The financial support for programs in developing countries is allocated half to the Research program and half to the Prevention and Assistance to People living with HIV program.

	Outstanding balance as of Jan. 1, 2011	2011 commitments and changes	2011 payments	Surpluses, refunds and cancelations	Outstanding balance as of Dec. 31, 2011
	A	B	C	D	A+B-C-D
Balance of calls for tenders as of Jan. 1, 2011	€3,232,482	€170,365	€2,629,298	€2,449	€771,100
2011 calls for tenders - Prevention and Assistance to People living with HIV	-	€2,535,987	€625,797	€2,686	€1,907,504
Call for project - French Departments of Americas	€215,308	€225,972	€238,244	€2,950	€200,086
Call for project - Employment	€303,906	€257,100	€300,106	-	€260,900
Call for project - Prevention and Assistance in Prisons	€396,400	€124,300	€286,800	-	€233,900
Call for project - Prevention for Gays	€225,461	€360,639	€300,899	€7,401	€277,800
Emergency funding for associations	€20,000	€38,255	€58,255	-	-
TOTAL FUNDING - ASSOCIATIONS IN FRANCE	€4,393,557	€3,712,618	€4,439,399	€15,486	€3,651,290
Balance of calls for tenders as of Jan. 1, 2011	€1,453,394	€-12,500	€1,427,137	-	€13,757
2011 calls for tenders outside France	-	€1,943,500	€25,000	-	€1,918,500
Call for project - Paris AIDS South	€421,874	€371,600	€421,874	-	€371,600
Call for project - Excluded Populations	€513,000	€763,000	€513,000	-	€763,000
Call for project - Ethics	€14,667	-	€14,667	-	-
Call for project - Grandir	€436,994	€724,507	€436,705	-	€724,796
Call for project - Homosexuals in Africa	€254,365	€413,622	€242,987	-	€425,000
One-time funding	€175,840	€202,468	€283,308	-	€95,000
Conferences	-	€213,000	€83,000	-	€130,000
Call for tenders - Training in Developing Countries	€383,646	€540,865	€731,104	-	€193,407
TOTAL FUNDING - OUTSIDE FRANCE	€3,653,780	€5,160,062	€4,178,782	-	€4,635,060
Funding - Young Researchers	€4,226,228	€2,456,205	€2,974,142	€-21,500	€3,729,791
Balance of calls for tenders as of Jan. 1, 2011	€4,226,228	€-96,866	€2,735,834	€-21,500	€1,415,028
2011 permanent call for tenders	-	€2,553,071	€238,308	-	€2,314,763
Funding - Assistance to research teams	€1,145,833	€1,033,205	€1,043,491	-	€1,135,547
Balance of calls for tenders as of Jan. 1, 2011	€1,145,833	€-33,673	€757,073	-	€355,087
2011 permanent call for tenders	-	€1,066,878	€286,418	-	€780,460
Conference support	-	€67,569	€67,569	-	-
Funding - Improving Quality of Life and Quality Care	€438,922	€515,757	€447,839	-	€506,840
Balance of calls for tenders as of Jan. 1, 2011	€2,217	-	-	-	€2,217
2011 permanent call for tenders	€436,705	€515,757	€447,839	-	€504,623
TOTAL FUNDING - SCIENTIFIC RESEARCH	€5,810,983	€4,072,736	€4,533,041	€-21,500	€5,372,178
TOTAL 2011	€13,858,320	€12,945,416	€13,151,222	€-6,014	€13,658,528
			2012 commitments:	€10,856,275	
			2013 commitments:	€2,095,275	
			2014 commitments:	€706,978	

↓ NOTES ON SIDACTION'S RESTRICTED FUNDS

Raising funds from the general public requires that we present our annual receipts and expenditures in a statement of uses of incoming resources. As the operations of Sidaction are not based on the calendar year, the restricted funds allow us to implement the aims of the Board of Directors and its approvals in accordance with our commitments, while complying with the basis of presentation. Restricted funds are therefore Sidaction's funds that have been earmarked for specific activities of the association by the Board of Directors.

FUND	Funds to be committed as of Jan. 1, 2011	Uses recognized in 2011	Incoming resources recognized in 2011	Fund balances as of Dec. 31, 2011
	A	B	C	A-B+C
Restricted funds - Prevention and Assistance to People living with HIV	€-1,757,333	€9,425,341	€10,288,029	€-894,645
Funding of associations	-	€6,528,790	-	€-6,528,790
Co-funding received	-	-	€607,133	€607,133
Sidaction's actions against AIDS	-	€1,017,043	-	€-1,017,043
Assessment and monitoring expenses	-	€740,638	-	€-740,638
Net uses of funds for the year	-	€1,138,870	-	€-1,138,870
Net incoming resources for the year	-	-	€9,584,050	€9,584,050
Refunds	-	-	€96,846	€96,846
Fundraising and communication expenses (50% relating to assistance to people living with HIV)	-	€2,398,949	-	€-2,398,949
RESTRICTED FUNDS - PREVENTION AND ASSISTANCE TO PEOPLE LIVING WITH HIV	€-1,757,333	€11,824,290	€10,288,029	€-3,293,594
Fonds dédiés "Recherche et médical"	9 190 914 €	9 193 298 €	10 273 028 €	10 270 644 €
Funding of scientific activities	-	€6,622,432	-	€-6,622,432
Co-funding received	-	-	€580,883	€580,883
Sidaction's actions against AIDS	-	€726,779	-	€-726,779
Assessment and monitoring expenses	-	€715,967	-	€-715,967
Net uses of funds for the year	-	€1,128,120	-	€-1,128,120
Net incoming resources for the year	-	-	€9,584,048	€9,584,050
Refunds	-	-	€108,095	€108,095
Fundraising and communication expenses (50% relating to research activities)	-	€2,398,948	-	€-2,398,948
RESTRICTED FUNDS - SCIENTIFIC AND MEDICAL RESEARCH of which, Restricted funds - Pierre Bergé Endowment Fund	€9,190,914 €700,000	€11,592,246 €700,000	€10,273,026 €700,000	€7,871,694 €700,000
TOTAL RESTRICTED FUNDS	€7,433,581	€23,416,536	€20,561,055	€4,578,100
TOTAL COMMITMENTS	€13,858,320	-	-	€13,658,528
			of which, commitments for 2012	€10,856,275
			of which, commitments for 2013	€2,095,275
			of which, commitments for 2014	€706,978



228 rue du Faubourg Saint Martin
75010 Paris
Tél. : 01 53 26 45 55
Fax : 01 53 26 45 75

www.sidaction.org

*Association reconnue d'utilité publique,
habilitée à recevoir legs & donations.*