



MEDECINS SANS FRONTIERES SWITZERLAND FINANCIAL STATEMENTS AS OF DECEMBER 31, 2014

(This report is a translation;
only the French version of this report has legal validity)

BOARD OF DIRECTORS AND MANAGEMENT REPORTS

The Board of Directors of Médecins Sans Frontières Switzerland is responsible for preparing the financial statements, including the performance report.

MSF Switzerland relies upon a comprehensive internal control system, unified accounting and financial reporting procedures as well as additional measures such as employee professional training and continuous learning, to ensure that financial reporting is conducted in accordance with the Swiss Gaap FER/RPC (including Swiss Gaap FER/RPC 21 applicable to charitable, social non-profit organisations), with the Swiss law and with the articles of the association.

The Management has confirmed to the Board the correctness of the financial data presented in the financial statements, and the effectiveness of the related control systems. It also confirmed the compliance of the accounts with the rules of presentation for financial statements as well as the reasonableness of significant estimates and assumptions.

Risk management procedures are designed to enable the Management and the Board to recognize potential risks early on and initiate timely countermeasures.

In accordance with the resolution made at the 2013 General Assembly, the statutory auditor, PricewaterhouseCoopers SA has audited the financial statements for the year ended December 31, 2014, and issued an unqualified opinion.

The financial commission of the Board has thoroughly examined the financial statements and the performance report (included in the Activity Report), as well as the independent auditors' report. The Board of Directors approved the MSF Switzerland annual financial statements on May 8, 2015.

To the best of our knowledge the financial statements for the year ended 31 December 2014 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss Gaap FER/RPC (including Swiss Gaap FER/RPC 21), and comply with Swiss law and with the articles of association.

Geneva, May 8, 2015

For the board of directors



Dr Thomas Nierle,
President



Ralf De Coulon,
Treasurer

For the direction



Bruno Jochum,
General Director



Emmanuel Flamand,
Finance Director



Report of the statutory auditor to the General Meeting of Médecins sans Frontières Geneva

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the accompanying financial statements of Médecins sans Frontières, which comprise the statement of operations, statement of financial position, cash flow statement, statement of changes in capital and funds, and notes (notes 1 to 27), for the year ended 31 December 2014. As permitted by Swiss GAAP FER 21 the information in the performance report is not required to be subject to audit.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Swiss GAAP FER 21 and the requirements of Swiss law as well as with the articles of association. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2014 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER 21 and comply with Swiss law and with the articles of association.

Other Matter

The financial statements of Médecins Sans Frontières for the year ended 31 December 2013 were audited by another firm of auditors whose report, dated 2 May 2014, expressed an unmodified opinion on those statements.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 69b paragraph 3 CC in connection with article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 69b paragraph 3 CC in connection with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Association Board of Directors.

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

PricewaterhouseCoopers SA

Marc Secretan
Audit expert
Auditor in charge

Philippe Tzaud
Audit expert

Geneva, 8 May 2015

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**MÉDECINS SANS FRONTIÈRES, SWITZERLAND**

STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2014

(with comparative figures for 2013)

(in thousands of Swiss francs)

	Notes	2014	2013
INCOME			
Private donations from Switzerland	19a	101,703	82,920
Private donations from other MSF organizations	19b	72,865	70,216
Contribution from public institutional donors	19c	25,826	22,414
Other income		624	760
TOTAL INCOME		<u>201,018</u>	<u>176,310</u>
EXPENDITURE			
Programme	20a	-135,495	-122,111
Headquarters programme support	20b	-19,501	-19,775
Advocacy, other humanitarian activities	20c	-3,716	-3,348
Total operational expenses		<u>-158,712</u>	<u>-145,234</u>
Fundraising		-10,757	-9,952
Management & communication	20d	-8,639	-8,065
TOTAL EXPENDITURE		<u>-178,108</u>	<u>-163,251</u>
RESULT OF ORDINARY ACTIVITIES		<u>22,910</u>	<u>13,059</u>
Net financial result	21	721	-920
Non-operating result	22	-1	-8
INTERMEDIATE RESULT		<u>23,630</u>	<u>12,131</u>
Change in restricted funds*		-896	-1,661
ANNUAL RESULT BEFORE CHANGE IN UNRESTRICTED FUNDS		<u>22,734</u>	<u>10,470</u>
Change in the unrestricted Innovation and Specific Operational Initiatives Fund*	18b	-1	5,691
RESULT FOR THE FINANCIAL YEAR		<u>22,733</u>	<u>16,161</u>

* For more detailed information, see the statement of changes in capital and funds.



MÉDECINS SANS FRONTIÈRES, SWITZERLAND

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2014

(with comparative figures for 2013)

(in thousands of Swiss francs)

ASSETS	Notes	2014	2013
CURRENT ASSETS			
Cash & cash equivalents	6	130,816	103,021
Receivables from MSF organisations	7	6,320	3,323
Grants receivable	8	29,600	18,147
Other current assets	9	2,507	3,499
Total current assets		<u>169,243</u>	<u>127,990</u>
NON-CURRENT ASSETS			
Tangible and intangible fixed assets	10	11,686	11,266
Financial assets	11	3,105	3,570
Total non-current Assets		<u>14,791</u>	<u>14,836</u>
TOTAL ASSETS		<u>184,034</u>	<u>142,826</u>

LIABILITIES	Notes	2014	2013
CURRENT LIABILITIES			
Operating liabilities	12	14,773	9,535
Other current liabilities	13	3,590	2,932
Funding contract commitments	15	13,273	10,276
Provisions	14	4,060	2,525
Total current liabilities		<u>35,696</u>	<u>25,268</u>
NON-CURRENT LIABILITIES			
Total non-current liabilities	16	<u>8,358</u>	<u>1,208</u>
RESTRICTED FUNDS			
Funds restricted to projects	18a	<u>3,047</u>	<u>2,151</u>
UNRESTRICTED FUNDS			
General reserves		100,582	84,421
Innovation and Specific Operational Initiatives Fund	18b	13,618	13,617
Net surplus/deficit for the year		22,733	16,161
Total unrestricted funds		<u>136,933</u>	<u>114,199</u>
Total restricted and unrestricted funds		<u>139,980</u>	<u>116,350</u>
TOTAL LIABILITIES AND FUNDS		<u>184,034</u>	<u>142,826</u>

**MÉDECINS SANS FRONTIÈRES, SWITZERLAND**

CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2014

(with comparative figures for 2013)

(in thousands of Swiss francs)

	2014	2013
Intermediate result before change in funds	<u>23,630</u>	<u>12,131</u>
./. Depreciation	960	969
./. Provisions and valuation adjustments	1,520	1,104
./. Unrealised foreign exchange gain	-1,570	756
Result for the year (before change in net working capital)	<u>24,540</u>	<u>14,960</u>
Change in grants receivable	-11,082	-10,100
Change in the funding contract commitments	9,880	8,736
Change in the other assets	-1,995	192
Change in the other liabilities	5,898	2,555
Cash flow from operating activities	<u>27,241</u>	<u>16,343</u>
INVESTING ACTIVITIES		
Investment in building and fixtures	-87	-63
Acquisition of furniture and computer equipment	-1,029	-376
IT developments in process	-302	-616
Financial assets	423	-5
Cash flow from investing activities	<u>-995</u>	<u>-1,060</u>
FINANCING ACTIVITIES		
Cash flow from financing activities	=	=
Effect of foreign currency conversions on cash flow	1,549	-546
Net increase in cash & cash equivalents	<u>27,795</u>	<u>14,737</u>
Cash & cash equivalents, beginning of year	103,021	88,284
Cash & cash equivalents, end of year	<u>130,816</u>	<u>103,021</u>



MÉDECINS SANS FRONTIÈRES, SWITZERLAND

STATEMENT OF CHANGES IN CAPITAL AND FUNDS FOR THE YEAR ENDED DECEMBER 31, 2014

(with comparative figures for 2013)

(in thousands of Swiss francs)

	Unrestricted funds 2014			Restricted funds 2014	Total funds 2014	Unrestricted funds 2013			Restricted funds 2013	Total funds 2013
	General Reserve	Innovation and Specific Operational Initiatives Fund	Net surplus/deficit for the financial year	Total	Total	General Reserve	Innovation and Specific Operational Initiatives Fund	Net surplus/deficit for the financial year	Total	Total
SITUATION AS OF JANUARY 1	<u>84,421</u>	<u>13,617</u>	<u>16,161</u>	<u>2,151</u>	<u>116,350</u>	<u>79,975</u>	<u>19,308</u>	<u>4,446</u>	<u>490</u>	<u>104,219</u>
ALLOCATION TO THE GENERAL RESERVE	16,161	-	-16,161	-	-	4,446	-	-4,446	-	-
CHANGE IN FUNDS OVER THE YEAR										
Intermediate result	-	-	23,630	-	<u>23,630</u>	-	-	12,131	-	<u>12,131</u>
Allocation to restricted funds	-	-	-132,702	132,702	-	-	-	-118,064	118,064	-
Use of the restricted funds	-	-	131,806	-131,806	-	-	-	116,403	-116,403	-
Allocation to the Innovation Fund	-	1	-1	-	-	-	3	-3	-	-
Use of the Innovation Fund	-	-	-	-	-	-	-5,694	5,694	-	-
Change in funds for the year	-	<u>1*</u>	<u>22,733</u>	<u>896</u>	<u>23,630</u>	-	<u>-5,691</u>	<u>16,161</u>	<u>1,661</u>	<u>12,131</u>
SITUATION AS OF DECEMBER 31	<u>100,582</u>	<u>13,618</u>	<u>22,733</u>	<u>3,047</u>	<u>139,980</u>	<u>84,421</u>	<u>13,617</u>	<u>16,161</u>	<u>2,151</u>	<u>116,350</u>

* See note 18b for the details of the movements in the Innovation and Specific Operational Initiatives Fund.



MÉDECINS SANS FRONTIÈRES, SWITZERLAND NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014

(in thousands of Swiss francs)

1. Presentation

Médecins Sans Frontières Switzerland (hereinafter MSF Switzerland) is an international humanitarian aid organisation, private and not-for-profit, founded in July 1981 and established as an association within the meaning of Article 60 et seq. of the Swiss Civil Code. The MSF Switzerland headquarters are located in Geneva with a support office located in Zurich.

MSF Switzerland's objective is to provide medical assistance to populations affected by crisis in accordance with the principles of the Charter of Médecins Sans Frontières.

2. Significant accounting policies

2a Accounting Conventions

MSF Switzerland's financial statements have been prepared in accordance with the articles of association of MSF Switzerland, the applicable provisions of the Swiss Code of Obligations and the Swiss generally accepted accounting principles (Swiss Gaap FER/RPC including Swiss Gaap FER/RPC 21). The financial statements have been prepared using historical cost principles and are presented in Swiss francs.

The Board of Directors approved the MSF Switzerland annual financial statements on May 8, 2015.

2b Valuation principles

Receivables are stated at their nominal value, less any value corrections. Fixed assets are stated at their historical cost value, less accumulated depreciation. Debts are stated at their nominal value. Securities are stated at their market value or at the best possible estimate obtained at the end of the year.

2c Scope of the financial statements

The scope of the financial statements of MSF Switzerland includes:

- The accounts of Médecins Sans Frontières Switzerland, Geneva, an association governed by Swiss law;
- The accounts of missions conducted by MSF Switzerland worldwide. Legally, these missions are managed by local organisations created and controlled by MSF Switzerland; some of these organisations are legally independent from MSF Switzerland, but remain under its control.
- The financial statements for the MSF Switzerland local office in Mexico.

2d Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are converted into Swiss francs at the rate of exchange as at year-end. Field transactions in foreign currencies are recorded in Swiss francs at the rate in force on the last day of the month preceding the date of the transaction.

2e Fixed assets

The tangible assets held by MSF Switzerland are considered to be fixed assets when they:

- are held to be used for the activity, or for administrative purposes, and
- are expected to be used over more than one year.

As an exception to this principle, MSF Switzerland charges the full cost in the year of acquisition of all the tangible assets used in missions.

In this respect, vehicles are recognised as expenses upon their acquisition and are therefore not capitalised on the balance sheet. This situation can be justified due to the instability of the contexts in which MSF Switzerland operates and the difficulty in determining, in a reliable way, their useful life and residual value.

At the end of a programme, MSF Switzerland's policy is to transfer unused vehicles to other NGOs or local health authorities.

2f Depreciation

Depreciation is calculated on a straight-line basis over the expected useful life of the capital assets.

	Period
Building and fixtures	50 years
Fittings and technical installations	Between 15 and 30 years
Office furniture and equipment	Between 5 and 10 years
Computer equipment	Between 3 and 5 years
IT developments	3 years

2g Revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will inure to MSF Switzerland and can be reliably estimated.

Donations

Donations are recognised in the statement of operations once they definitively belong to MSF Switzerland. They are considered as unrestricted funds, unless the donor stipulates a specific restriction.

When the donor wishes to see a donation allocated to a specific cause, the donation is considered to be an allocated fund. Allocated funds that have not been used at the end of the year are presented in a separate section of the balance sheet.



Funding contracts

Income from funding contracts signed between donors and MSF Switzerland (or indirectly via MSF partner sections) is recognised in the year in which the financed expenditure is incurred.

Outstanding grant amounts at the accounting closure that will be used in future years are recognised under the section “Funding contract commitments” for amounts due in the short term and under “long term commitments” for those exceeding 12 months after the accounting year end (where there are contractual provisions stating that the asset may be returned to the donor).

2h Bequests

Bequests and legacies that are accepted but not liquidated are deemed to be contingent assets. They will be recognised as revenue when they are effectively transferred to MSF Switzerland, which will also acquire control thereof.

2i Contributions in kind

Occasionally MSF Switzerland receives donations in kind, primarily in the form of the free use of goods or services. These contributions in kind are not stated in the operating account, but donated goods are listed in the note to the financial statements (note 24). The contributions are valued on the basis of the donation certificate or the contract entered into with the donor.

2j Programme expenditure

By prudence, supplies and equipment used by the missions are recorded when the costs are incurred. As a result, the stocks stated under the heading “other current assets” do not take into account the supplies and equipment that have been acquired by the missions and not yet been used on the closing date of the financial statements.

2k Related parties

Related parties are all member organisations of the international movement of *Médecins sans Frontières* (notes 7, 8, 11, 12, 13, 19b, 20, 20b, 20c, 20d, 22 and 23b), as well as organisations controlled by member organisations, whose accounts are included in the financial report of MSF International (www.msf.org).

2l Provisions

Provisions are made when it is reasonably certain that a specific liability will materialise and it can be valued accurately (note 14).

3. Tax exemption

MSF Switzerland qualifies for exemption from local and federal income tax and capital tax, according to Article 9.1 (f) of the Law on taxation of legal persons (“LIPM”), as well as complete exemption from inheritance tax and registration duties. The local exemption was renewed on April 8, 2011 for a period of 10 years.

The direct federal tax exemption, provided under Article 16 (3) of the direct federal taxation decree (“AIFD”), is valid for an indeterminate period, based on the decision made by tax authorities on March 25, 1991.

4. Performance report

In accordance with the Swiss Gaap FER/RPC 21, MSF Switzerland produces a performance report which is included in the MSF Switzerland’s Activity Report. The Activity Report is approved by the General Assembly.

5. Management of financial risks

Risks are periodically analysed on an organisation-wide basis, which gives rise to a report that is submitted to the Board of Directors’ financial commission. In terms of financial risks, we draw your attention to the following items:

5a Foreign exchange risk

MSF Switzerland is exposed to exchange rate fluctuations, insofar as 52% of its income and 70% of its expenses are in foreign currencies. MSF Switzerland has no active foreign exchange risk hedging policy and tends to convert currencies as and when they are required. The reserves are kept in Swiss francs.

5b Banking risk

MSF Switzerland tends to avoid concentrating this risk, by working with three banks in Switzerland, as well as with the Post Office. In the field, MSF Switzerland works with many international and local banks; the policy is to limit the volume of bank deposits to the level strictly required for operational needs.

5c Counterparty risk

The counterparty risk is limited, insofar as most of the third party receivables are due from governments or public bodies. The remaining receivables are mainly due from other MSF movement organisations or are not significant. They give rise to the recognition of an impairment loss, if needed.

5d Liquidity risk

MSF Switzerland’s policy is to ensure a sufficient level of liquidity for its operations at all times; consequently, funds are kept in liquid form or invested in short-term monetary products.

Given MSF Switzerland’s activity, the interest rate risk is negligible.

MSF Switzerland is marginally exposed to the fluctuations of price affecting the few securities received by donation (note 9).

6. Cash and cash equivalents

	2014	2013
Mission cash and bank accounts	7,482	7,268
Cash and bank accounts at headquarters	123,334	95,753
Total	<u>130,816</u>	<u>103,021</u>

7. Receivables from MSF organisations

	2014	2013
MSF Spain	2,079	1,005
MSF Belgium	1,805	713
MSF Holland	751	676
MSF France	411	335
Other MSF sections	1,274	594
Total	<u>6,320</u>	<u>3,323</u>

These receivables resulted from expenses undertaken by MSF Switzerland on behalf of these organisations.

8. Grants receivable

	2014	2013
SDC – Switzerland	13,600	5,700
MSF sections	7,953	4,848
The Global Fund	3,031	1,947
UNITAID	1,635	2,131
ECHO - European Commission	1,337	1,508
Optimus Foundation	1,200	-
Others	844	2,013
Total	<u>29,600</u>	<u>18,147</u>

Grants receivable come from contractual commitments signed with donors or with other MSF sections.

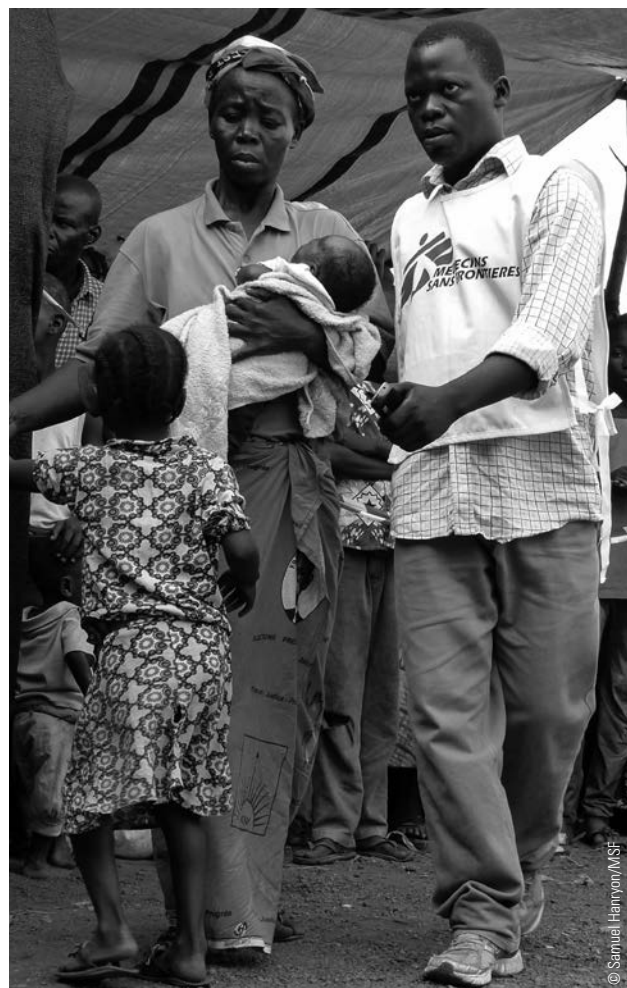
MSF Switzerland signed a funding contract with SDC (Swiss Agency for Development and Cooperation) for the period 2013-2016 for a total amount of KCHF 24,100. KCHF 5,000 was recognised in 2013 and KCHF 5,700 was recognised in 2014. The total amount mentioned in the table above includes the open receivable balance linked to this contract (KCHF 13,400) as well as two other agreements (KCHF 200).

9. Other current assets

	2014	2013
Pre-paid expenses	1,124	1,313
Short term loan	-	1,112
Securities	271	350
Inventory	313	232
Other current assets	799	492
Total	<u>2,507</u>	<u>3,499</u>

The securities in this section were received from donors and are theoretical values that are currently non-liquid; they will be sold as soon as possible.

The inventory is stock that primarily corresponds to computer hardware held at headquarters and intended for the missions.





10. Tangible and intangible fixed assets

	Buildings and fixtures	Installations and equipment	IT Hardware & Office Furniture	Total tangible fixed assets	Intangible assets	Total 2014	Total 2013
Gross value, as of 1.1	9,985	4,558	3,614	<u>18,157</u>	2,832	<u>20,989</u>	<u>19,935</u>
Disposals	-	-215	-972	<u>-1,187</u>	-34	<u>-1,221</u>	<u>-1</u>
Acquisitions	16	71	1,029	<u>1,116</u>	302	<u>1,418</u>	<u>1,055</u>
Gross value, as of 31.12	<u>10,001</u>	<u>4,414</u>	<u>3,671</u>	<u>18,086</u>	<u>3,100</u>	<u>21,186</u>	<u>20,989</u>
Accumulated depreciation, as of 1.1	-2,340	-3,074	-2,598	<u>-8,012</u>	-1,711	<u>-9,723</u>	<u>-8,755</u>
Reversals	-	213	971	<u>1,184</u>	-	<u>1,184</u>	<u>1</u>
Depreciation	-200	-123	-478	<u>-801</u>	-160	<u>-961</u>	<u>-969</u>
Accumulated depreciation as of 31.12	<u>-2,540</u>	<u>-2,984</u>	<u>-2,105</u>	<u>-7,629</u>	<u>-1,871</u>	<u>-9,500</u>	<u>-9,723</u>
Net value, as of 1.1	7,645	1,484	1,016	<u>10,145</u>	1,121	<u>11,266</u>	<u>11,180</u>
Net value, as of 31.12	<u>7,461</u>	<u>1,430</u>	<u>1,566</u>	<u>10,457</u>	<u>1,229</u>	<u>11,686</u>	<u>11,266</u>

11. Financial assets

	2014	2013
Pre-financing to MSF Logistique of an emergency stock	2,692	2,749
Mortgage on a property donated to MSF	-	400
Guarantees and deposits	413	421
Total	<u>3,105</u>	<u>3,570</u>

12. Operating liabilities

	2014	2013
Other MSF sections	8,723	3,813
Third-party suppliers	1,600	2,725
MSF Logistique	918	2,111
Epicentre	3,532	886
Total	<u>14,773</u>	<u>9,535</u>

See note 20 on purchases from other MSF sections.

13. Other current liabilities

	2014	2013
Accrued annual leave	1,738	1,487
Social debts	1,015	835
Towards third parties	803	472
MSF sections	34	138
Total	<u>3,590</u>	<u>2,932</u>

14. Provisions

	2014	2013
Balance as of 1.1	2,525	1,796
Creation	2,189	1,207
Use	-652	-305
Reversals	-63	-128
Foreign exchange adjustment	61	-45
Balance as of 31.12	<u>4,060</u>	<u>2,525</u>

Provisions	2014	2013
Provisions for pensions and post-employment benefits	689	461
Provisions for project closures	1,522	296
Other social provisions	1,446	1,273
Others	403	495
Total	4,060	2,525

Provisions for pensions and post-employment benefits were recorded to cover legal obligations in operating countries and have a low level of uncertainty. Other headings have a higher level of uncertainty and cover sundry risks and obligations in Switzerland as well as in operating countries.

15. Funding contract commitments

By source	2014	2013
SDC - Switzerland	6,400	5,700
Ikea Foundation	2,707	-
The Global Fund	1,245	1,020
UNITAID	1,238	1,163
Optimus Foundation	672	-
Hilti Foundation	407	434
Others	604	1,959
Total	13,273	10,276

By destination	2014	2013
Ebola West Africa	3,379	-
Myanmar	1,245	1,047
Swaziland	1,238	1,163
Others*	7,411	8,066
Total	13,273	10,276

*In 2014 "Others" includes KCHF 6,400 from the signed agreement with SDC that covers all MSF Switzerland's activities in 2015.

16. Non current liabilities

By source	2014	2013
SDC - Switzerland	7,000	-
The Global Fund	1,309	-
UNITAID	-	1,163
Others	49	45
Total	8,358	1,208

By destination	2014	2013
Myanmar	1,309	-
Swaziland	-	1,163
Others*	7,049	45
Total	8,358	1,208

*In 2014 "Others" includes KCHF 7,000 from the signed agreement with SDC that covers all MSF Switzerland's activities in 2016.

17. Pension plan obligation

MSF Switzerland headquarters employees and expatriate volunteers benefit from a scheme covering retirement, invalidity pension, and death according to the provisions of the Federal Law for occupational retirement (LOB).

The occupational benefits are provided by a collective foundation, Profond, according to a defined-contribution benefit plan: investment yield has no impact on premiums; the employer does not guarantee the benefit amount. The Plan is funded by the contributions of MSF Switzerland, the employees and the expatriate volunteers. The plan covers the usual occupational benefits: retirement and invalidity pension, and death benefits. Risks are insured by the collective Foundation.

	2014	2013
Employees in Switzerland		
Vested benefits	11,652	9,728
Premiums paid	2,468	2,363
Expatriate volunteers		
Vested benefits	949	681
Premiums paid	643	624

As of December 31, 2014, 231 headquarters employees in Switzerland (2013: 224) and 231 expatriate volunteers were affiliated to the plans (2013: 197).

	2014	2013
Capital ratio	109%	105%
Occupational benefits expenses included in Personnel expenses	2,471	2,340



18. Funds

18a Funds restricted to projects

	2014	2013
Philippines-Typhoon Haiyan	1,052	1,711
Ebola West Africa	1,995	-
Others	-	440
Total	<u>3,047</u>	<u>2,151</u>

18b Innovation and Specific Operational Initiatives Fund

The creation of an unrestricted designated fund was decided by the Board of Directors in 2012. This Fund was constituted from a special donation of KCHF 25,637 received in March 2012. Regulation has been established for this Fund, and the application thereof has been certified by the statutory auditors.

In 2014, the Board of Directors decided not to use the fund. 2014 transactions only concern interest on bank account balances and bank fees (net movement of KCHF +1).

19. Detail of Income

19a Private donations contributed in Switzerland

	2014	2013
Donations	59,312	50,637
Private foundations	24,655	19,768
Bequests and legacies	11,536	10,133
Corporations	6,185	2,366
Other revenues	15	16
Total	<u>101,703</u>	<u>82,920</u>

As of December 31, 2014, total of bequests and legacies committed to but not received amounted to KCHF 4,741 (2013: KCHF 5,344).

19b Private donations contributed from other MSF organizations

Amounts granted by other MSF sections were the result of fundraising from private donors in these countries; these are earmarked to specific projects.

	2014	2013
MSF USA	21,675	19,872
MSF Austria	14,722	12,881
MSF Australia	12,308	11,747
MSF Germany	11,047	12,724
MSF Canada	5,800	7,046
Other sections	7,313	5,946
Total	<u>72,865</u>	<u>70,216</u>

19c Contribution from public institutional donors

Contributions from the European Commission and governments are received on the basis of contractual commitments.

	2014	2013
SDC - Switzerland	8,200	5,000
ECHO- European Commission	5,567	6,324
SIDA – Sweden	3,117	3,509
DFATD-IHA - Canada	1,554	1,463
Swiss Cantons & Towns	1,741	1,171
DFID – United Kingdom	1,548	-
UNITAID	1,242	1,015
MFA – Norway	1,218	781
The Global Fund	962	986
Others	677	2,165
Total	<u>25,826</u>	<u>22,414</u>

20. Detail of expenditure

Note 26 presents the expenses by type and activity.

MSF Switzerland employs the services of three member organisations of the MSF movement:

- MSF Logistique (France) and MSF Supply (Belgium), which are two non-profit humanitarian purchasing centres. MSF Logistique is MSF Switzerland's main supplier.
- Epicentre (France), which is a non-profit organisation that carries out epidemiological studies and medical research, and which organises training for MSF Switzerland.

The volume of purchases from MSF Logistique amounted to KCHF 23,117 in 2014 (2013: KCHF 16,283); The volume with Epicentre amounted to KCHF 3,578 (2013: KCHF 1,374) and with MSF Supply KCHF 895 (2013 : KCHF 21).

20a Programme

Programme costs include all expenses directly associated to missions in the countries where MSF Switzerland intervenes.

Note 27 presents the programmes expenditure by type and mission.

The programme expenditure includes amounts for projects implemented by other MSF operational centres. A breakdown is presented in notes 26 and 27.

20b Headquarters programme support

Headquarters programme support includes all headquarters expenses incurred for designing, coordinating, assisting and evaluating projects carried out in the countries of operation.

	2014	2013
Operations	3,630	3,130
Mission Human Resources	6,261	6,211
Medical support	3,095	4,030
Logistical support	2,708	2,552
Operational financing	1,081	1,191
Research	1,156	1,044
Other activities*	1,570	1,617
Total	<u>19,501</u>	<u>19,775</u>

**Other activities* includes activities performed by MSF Switzerland's office in Mexico as well as MSF Switzerland's participation in financing the MSF International office and MSF Prague office.

20c Advocacy & other humanitarian activities

This section includes all advocacy activities that includes MSF Switzerland's participation in financing the Campaign for Access to Essential Medicines ("CAME"). This section also includes MSF Switzerland's participation in financing the DNDi Foundation (Drugs for Neglected Diseases initiative). (Note 23b).

	2014	2013
Advocacy*	2,804	2,621
Contribution to CAME	367	290
Advocacy sub-total	<u>3,171</u>	<u>2,911</u>
Contribution to DNDi	545	437
Total	<u>3,716</u>	<u>3,348</u>

**Advocacy* includes activities performed by the MSF Switzerland's office in Mexico as well as MSF Switzerland's participation in financing MSF International office and MSF Prague office.

20d Management & communication

This item includes expenses incurred at headquarters and related to the management, communication and administration, of MSF Switzerland.

	2014	2013
General management	1,679	1,452
Finance & accountancy	1,336	1,424
Human resources	1,211	764
Communication	1,394	1,300
Information systems	1,010	1,232
Expenditure of the association	552	603
Other activities*	1,457	1,290
Total	<u>8,639</u>	<u>8,065</u>

* "Other activities" includes activities performed by MSF Switzerland's office in Mexico as well as MSF Switzerland's participation in financing the MSF International office and MSF Prague office.

21. Net financial result

	2014	2013
Various financial revenues	97	80
Various financial expenses	-	-139
Various financial income	<u>97</u>	<u>-59</u>
Exchange rate gain or loss	624	-861
Total	<u>721</u>	<u>-920</u>

Headquarters' bank charges are included in management expenditure (note 20d, finance & accountancy) and in fundraising expenditure. Mission bank charges are included in programme expenditure (note 26, General & administrative expenses).



22. Non-operating result

Non-operating expenses correspond to the expenses incurred by MSF Switzerland on behalf of other sections of MSF that do not relate to MSF Switzerland's operations. Non-operating income corresponds to the repayment of these same expenses by the other sections.

	2014	2013
Employees under contract with MSF Switzerland who work for other sections of MSF	-5,820	-5,390
Accommodation costs of MSF International	-657	-643
Other expenses incurred for other sections	-1,817	-1,662
Total non-operating expenses	<u>-8,294</u>	<u>-7,695</u>
Total corresponding re-invoiced expenses	<u>8,293</u>	<u>7,687</u>
Non-operating result	<u>-1</u>	<u>-8</u>

23. Off-balance sheet commitments

23a Commitment linked to lease contracts

MSF Switzerland leases office space for its headquarters under lease contracts that are entered into for a term of five years. The minimum future leases of more than 12 months as of 31st of December 2014 and that cannot be terminated, totalled KCHF 1,760 (2013: KCHF 2,523). The missions' commitments amounted to KCHF 337 at the end of 2014 (2013: KCHF 634).

23b DNDi financing commitment

In 2013, the MSF movement decided to renew its financial support to DNDi, of which MSF was one of the founders in 2003. This support amounts to a total of KEUR 4,000 per year for the period 2014-2018 for all MSF sections. The contribution of each MSF section is calculated annually based on private funds raised the previous year. For 2015, the MSF Switzerland's contribution will amount to KEUR 340.

24. In-kind contributions (off balance sheet)

The main donors include UNICEF and United Nations High Commissioner for Refugees (UNHCR). The main donations are drugs, therapeutic food and relief supplies.

Based on their allocation	2014	2013
Niger	764	227
Kenya	153	121
Philippines	-	521
Others	82	376
Total	<u>999</u>	<u>1,245</u>

25. Remuneration of directors & managers

	2014	2013
Indemnity of Chairperson	135	134
Gross salary of the General manager	135	135
Gross salaries of other directors (cumulative)	1,051	1,016
Remuneration...		
...the highest	135	135
...the lowest	66	66

In 2014, the association had nine directors (as per 2013). The association gives the president of the Board an indemnity.

The salaries stated in the table above have been calculated based on the annual gross salary for full time equivalents, as stated in the salary grid. These figures reflect salaries as of 31 December of each year.

26. Statement of expenditure classified by type and activity

	Programme	Headquarters programme support	Advocacy & other humanitarian activities	Fundraising	Management & communication	Other costs	Total 2014	Total 2013
Personnel ¹	67,042	14,820	1,513	1,975	5,882	1,337	<u>92,569</u>	<u>87,034</u>
Medical & nutrition purchases	19,967	-	-	-	-	140	<u>20,107</u>	<u>18,706</u>
Non-medical purchases ²	14,999	-	-	2	8	224	<u>15,233</u>	<u>12,248</u>
Transportation & travel expenses	15,233	1,458	54	63	183	240	<u>17,231</u>	<u>15,453</u>
Medical & non-medical services	8,246	935	41	104	560	103	<u>9,989</u>	<u>7,976</u>
Postage, publication & promotion costs	442	240	845	5,437	598	26	<u>7,588</u>	<u>7,427</u>
Property rentals (offices, warehouses, medical structures, etc.)	5,030	549	69	99	268	109	<u>6,124</u>	<u>7,231</u>
General & administrative expenses	4,150	715	195	870	403	382	<u>6,715</u>	<u>5,538</u>
Contribution to other organisations	386	457	945	2,137	598	-	<u>4,523</u>	<u>8,377</u>
Depreciation	-	327	54	70	139	400	<u>990</u>	<u>956</u>
Total	<u>135,495</u> ³	<u>19,501</u>	<u>3,716</u>	<u>10,757</u>	<u>8,639</u>	<u>2,961</u>	<u>181,069</u>	<u>170,946</u>

¹ Headquarters briefing and debriefing costs included.

² Vehicles purchases included.

³ See note 27 for the breakdown of programme expenditure by type and mission.

As of January 1, 2014, a new chart of accounts has been implemented for programme expenditure in order to better reflect the nature of expenses. The categories of expenses presented above have been reviewed and 2013 figures have been reclassified in order to enable the comparison.





27. Statement of programme expenditure by type and mission

	Personnel ¹	Medical & nutrition purchases	Non-medical purchases ²	Transportation & travel expenses	Medical & non-medical services	Administration	Other expenses	Total 2014	Total 2013
Cameroun	5,056	1,497	1,471	1,239	948	576	-	<u>10,787</u>	<u>2,528</u>
Guinea	1,596	935	883	1,029	265	420	-	<u>5,128</u>	<u>3,309</u>
Kenya	3,926	1,298	445	439	536	409	-	<u>7,053</u>	<u>6,887</u>
Liberia	2,022	1,246	1,107	1,312	486	308	-	<u>6,481</u>	-
Mozambique	2,167	662	157	160	218	457	14	<u>3,835</u>	<u>4,276</u>
Niger	4,751	1,337	724	757	2,899	523	-	<u>10,991</u>	<u>8,932</u>
Central African Republic	3,170	1,863	1,509	1,911	300	345	-	<u>9,098</u>	<u>49</u>
Democratic Republic of the Congo	4,339	885	1,095	1,553	416	691	24	<u>9,003</u>	<u>16,614</u>
Sierra Leone	315	180	543	288	243	130	-	<u>1,699</u>	-
Somalia	-	-	-	-	-	-	-	-	<u>4,206</u>
South Sudan	7,344	1,623	2,709	2,970	225	1,028	-	<u>15,899</u>	<u>9,067</u>
Sudan	1,415	196	277	287	153	313	4	<u>2,645</u>	<u>2,783</u>
Swaziland	3,684	1,566	445	276	386	594	5	<u>6,956</u>	<u>7,749</u>
Chad	3,389	604	753	510	199	534	-	<u>5,989</u>	<u>9,095</u>
Other Countries	924	88	130	130	2	428	-	<u>1,702</u>	<u>1,664</u>
Total AFRICA	<u>44,098</u>	<u>13,980</u>	<u>12,248</u>	<u>12,861</u>	<u>7,276</u>	<u>6,756</u>	<u>47</u>	<u>97,266</u>	<u>77,159</u>
North Korea	176	202	12	177	4	111	-	<u>682</u>	<u>903</u>
Irak	4,637	1,004	1,061	636	104	497	-	<u>7,939</u>	<u>7,218</u>
Kirghizstan	1,562	411	107	158	93	253	-	<u>2,584</u>	<u>3,795</u>
Lebanon	4,826	1,853	443	217	439	824	-	<u>8,602</u>	<u>7,785</u>
Myanmar	1,225	821	165	273	87	242	11	<u>2,824</u>	<u>3,022</u>
Philippines	63	5	21	65	2	26	-	<u>182</u>	<u>2,837</u>
Syria	913	410	226	240	32	137	-	<u>1,958</u>	<u>2,609</u>
Total ASIA	<u>13,402</u>	<u>4,706</u>	<u>2,035</u>	<u>1,766</u>	<u>761</u>	<u>2,090</u>	<u>11</u>	<u>24,771</u>	<u>28,169</u>
Honduras	6,919	964	475	298	86	356	-	<u>9,098</u>	<u>8,525</u>
Haiti	924	223	99	70	33	153	-	<u>1,502</u>	<u>1,730</u>
Mexico	679	93	59	104	70	209	-	<u>1,214</u>	<u>327</u>
Other Countries	-	-	-	-	-	-	-	-	<u>18</u>
Total AMERICA	<u>8,522</u>	<u>1,280</u>	<u>633</u>	<u>472</u>	<u>189</u>	<u>718</u>	<u>-</u>	<u>11,814</u>	<u>10,600</u>
Others	1,020	1	83	134	20	58	3	<u>1,319</u>	<u>1,451</u>
Financing other MSF sections' projects	-	-	-	-	-	-	325	<u>325</u>	<u>4,732</u>
TOTAL	<u>67,042</u>	<u>19,967</u>	<u>14,999</u>	<u>15,233</u>	<u>8,246</u>	<u>9,622</u>	<u>386</u>	<u>135,495</u>	<u>122,111</u>

¹ Headquarters briefing and debriefing costs included.

² Vehicles purchases included.

OTHER FINANCIAL INFORMATION

MSF International Accounts

The following information is extracted from the *MSF International Movement Financial Report 2013*, which combines the accounts of the 19 main offices worldwide (Australia, Austria, Belgium, Canada, Denmark, France, Germany, Greece, Holland, Hong Kong, Italy, Japan, Luxembourg, Norway, Spain, Sweden, Switzerland, The United Kingdom and the United States) together with the Financial Statements of the offices in Brazil, Czech Republic, Ireland and South Africa, satellite organisations (MSF Supply, MSF Logistique, Epicentre, Fondation MSF, Etat d'Urgence Production, MSF Assistance, SCI MSF, SCI Sabin, Ärzte Ohne Grenzen Foundation and MSF Entreprises Limited) and MSF International, in accordance with MSF accounting policies that are close to International Financial Reporting Standards (IFRS). The statutory accounts of MSF Switzerland are published before the international ones, so please note that figures shown below are from 2013.

In thousands of Euros	2013	2012
Private funds	899,707	838,913
Public grants	92,968	82,668
Other income	15,861	16,065
Total income	<u>1,008,536</u>	<u>937,646</u>
Programme expenses	-615,362	-619,396
Headquarters programme support	-108,807	-103,948
Advocacy	-30,243	-31,678
Other humanitarian activities	-9,329	-7,370
Fundraising costs	-131,646	-124,836
Administration	-57,101	-56,622
Taxes	-12	-87
Total expenses	<u>-952,500</u>	<u>-943,937</u>
Net foreign exchange gains/losses	-7,907	-4,805
Loss / Surplus	<u>48,129</u>	<u>-11,096</u>

In thousands of Euros	2013	2012
Cash & equivalents	616,276	551,425
Other current assets	87,349	91,114
Non-current assets	61,732	57,414
Total assets	<u>765,357</u>	<u>699,953</u>
Liabilities	131,140	101,308
Own funds	634,217	598,645
Total liabilities & Own funds	<u>765,357</u>	<u>699,953</u>

Financial Indicators	2013	2012
DISTRIBUTION OF EXPENDITURE:		
Social mission	80%	81%
Fundraising	14%	13%
Administration	6%	6%
	<u>100%</u>	<u>100%</u>
SOURCE OF REVENUE		
Private funds	89%	90%
Public funding	9%	9%
Other income	2%	1%
	<u>100%</u>	<u>100%</u>

Source: *The MSF International Movement Financial Report 2013* (www.msf.org).





Glossary

DFATD-IHA	Department of Foreign Affairs, Trade and Development Canada, International Humanitarian Assistance Directorate
DFID	Department for International Development (United Kingdom)
ECHO	European Commission Humanitarian Aid Department
MFA	Norwegian Foreign Affairs Ministry
SDC	Swiss Agency for Development and Cooperation (Switzerland)
SIDA	International Agency for Cooperation and Development (Sweden)

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