



MÉDECINS SANS FRONTIÈRES SWITZERLAND FINANCIAL STATEMENTS AS OF DECEMBER 31, 2016

(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 (including Swiss GAAP FER 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 2015 General Assembly, the statutory auditor, PricewaterhouseCoopers SA has audited the financial statements for the year ended December 31, 2016, 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 12, 2017.


To the best of our knowledge the financial statements for the year ended 31 December 2016 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER (including Swiss GAAP FER 21), and comply with Swiss law and with the articles of association.

Geneva, May 12, 2017

For the board of directors

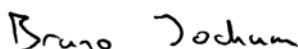


Dr Thomas Nierle,
President



Patrick Reybet-Degat,
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

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 29), for the year ended 31 December 2016. 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 of the financial statements in accordance with Swiss GAAP FER 21 and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation 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 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 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 2016 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.

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

Marcello Stimato
Audit expert

Geneva, 12 May 2017

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MÉDECINS SANS FRONTIÈRES, SWITZERLAND STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2016

(with comparative figures for 2015)

(in thousands of Swiss francs)

	Notes	2016	2015
INCOME			
Private donations from Switzerland	19a	97,921	107,224 ¹
Private donations from other MSF organisations	19b	124,292	87,846
Contribution from public institutional donors	19c	12,878	16,093
Other income		187	407
TOTAL INCOME		235,278	211,570
EXPENDITURE			
Programme	20a	-183,269	-157,385
Programme support	20b	-27,685	-20,116
Advocacy, awareness raising & other humanitarian activities	20c	-4,460	-3,757
Social mission expenditure sub-total		-215,414	-181,258
Fundraising		-11,513	-10,700
Management & Administration	20d	-7,089	-7,974
TOTAL EXPENDITURE		-234,016	-199,932
RESULT OF ORDINARY ACTIVITIES		1,262	11,638
Net financial result	21	2,664	-3,030
Non-operating result	22	-	-
INTERMEDIATE RESULT		3,926	8,608
Change in restricted funds*		-	3,047
ANNUAL RESULT BEFORE CHANGE IN UNRESTRICTED FUNDS		3,926	11,655
Change in the unrestricted Innovation & Specific Operational Initiatives Fund*		-	13,618
RESULT FOR THE FINANCIAL YEAR		3,926	25,273

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

¹ A change in the accounting principles regarding income recognition of bequests and legacies has been implemented in 2016. In compliance with Swiss GAAP FER, 2015 figures have been restated. See note 2h.



MÉDECINS SANS FRONTIÈRES, SWITZERLAND
STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2016

(with comparative figures for 2015)

(in thousands of Swiss francs)

ASSETS	Notes	2016	2015
CURRENT ASSETS			
Cash & short term investments	6	144,415	149,038
Receivables from MSF organisations	7	4,968	5,171
Funding contract receivables in the short term	8	18,685	14,995
Other current assets	9	7,381	11,566 ¹
TOTAL CURRENT ASSETS		175,449	180,770
NON-CURRENT ASSETS			
Funding contract receivables in the long term	8	-	3,980
Tangible & intangible fixed assets	10	11,290	11,535
Financial assets	11	5,443	3,163
Other non-current assets	9	900	1,490 ¹
TOTAL NON-CURRENT ASSETS		17,633	20,168
TOTAL ASSETS		193,082	200,938

LIABILITIES	Notes	2016	2015
CURRENT LIABILITIES			
Operating liabilities	12	17,903	21,822
Other current liabilities	13	5,846	3,523
Short term funding contract commitments	15	8,627	15,243
Provisions	14	4,220	2,826
TOTAL CURRENT LIABILITIES		36,596	43,414
NON-CURRENT LIABILITIES			
Long term funding contract commitments	16	-	4,964
TOTAL NON-CURRENT LIABILITIES		-	4,964
RESTRICTED FUNDS			
Funds restricted to projects	18	-	-
TOTAL RESTRICTED FUNDS		-	-
UNRESTRICTED FUNDS			
General reserves		152,560	127,287 ¹
Innovation & Specific Operational Initiatives Fund		-	-
Net surplus/deficit for the year		3,926	25,273 ¹
TOTAL UNRESTRICTED FUNDS		156,486	152,560
TOTAL RESTRICTED & UNRESTRICTED FUNDS		156,486	152,560
TOTAL LIABILITIES & FUNDS		193,082	200,938

¹ A change in the accounting principles regarding income recognition of bequests and legacies has been implemented in 2016. In compliance with Swiss GAAP FER, 2015 figures have been restated. See note 2h.



MÉDECINS SANS FRONTIÈRES, SWITZERLAND
CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2016
(with comparative figures for 2015)
(in thousands of Swiss francs)

	2016	2015
Intermediate result before change in funds	3,926	8,608¹
./ Securities' donations	-	-13
./ Depreciation	1,356	1,291
./ Provisions and valuation adjustments	1,888	680
./ Unrealised foreign exchange gain	-1,359	2,108
Result for the year (before change in net working capital)	5,811	12,674
Change in grants receivable	634	10,983
Change in the funding contract commitments	-11,271	-1,448
Change in the other assets	5,061	-5,458 ¹
Change in the other liabilities	-1,593	5,131
CASH FLOW FROM OPERATING ACTIVITIES	-1,358	21,882
INVESTING ACTIVITIES		
Investment in building & fixtures	-626	-236
Acquisition of furniture & computer equipment	-645	-468
IT developments in process	-373	-488
Financial assets	-2,306	-361
CASH FLOW FROM INVESTING ACTIVITIES	-3,950	-1,553
FINANCING ACTIVITIES		
CASH FLOW FROM FINANCING ACTIVITIES	-	-
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	-5,308	20,329
Cash & cash equivalents, beginning of year	149,038	130,816
Effect of foreign currency conversions on cash & cash equivalents	685	-2,107
Cash & cash equivalents, end of year	144,415	149,038

¹ A change in the accounting principles regarding income recognition of bequests and legacies has been implemented in 2016. In compliance with Swiss GAAP FER, 2015 figures have been restated. See note 2h.



MÉDECINS SANS FRONTIÈRES, SWITZERLAND
STATEMENT OF CHANGES IN CAPITAL AND FUNDS FOR THE YEAR ENDED DECEMBER 31, 2016
(with comparative figures for 2015)
(in thousands of Swiss francs)

	Unrestricted funds 2016			Restricted funds 2016	Total funds 2016	Unrestricted funds 2015			Restricted funds 2015	Total funds 2015
	General Reserve	Innovation & Specific Operational Initiatives Fund	Net surplus/deficit for the financial year	Total	Total	General Reserve	Innovation & Specific Operational Initiatives Fund	Net surplus/deficit for the financial year	Total	Total
SITUATION AS OF JANUARY 1	127,287	-	25,273	-	152,560	100,582	13,618	26,705¹	3,047	143,952
Allocation to the general reserve	25,273	-	-25,273	-	-	26,705	-	-26,705	-	-
CHANGE IN FUNDS OVER THE YEAR										
Intermediate result	-	-	3,926	-	3,926	-	-	8,608 ¹	-	8,608
Allocation to restricted funds	-	-	-151,551	151,551	-	-	-	-116,381	116,381	-
Use of the restricted funds	-	-	151,551	-151,551	-	-	-	119,428	-119,428	-
Allocation to the Innovation Fund	-	-	-	-	-	-	-	-	-	-
Innovation Fund utilisation / dissolution	-	-	-	-	-	-	-13,618	13,618	-	-
NET CHANGE IN FUNDS	-	-	3,926	-	3,926	-	-13,618	25,273	-3,047	8,608
SITUATION AS OF DECEMBER 31	152,560	-	3,926	-	156,486	127,287	-	25,273	-	152,560

¹ A change in the accounting principles regarding income recognition of bequests and legacies has been implemented in 2016. In compliance with Swiss GAAP FER, 2015 figures have been restated. See note 2h.



MÉDECINS SANS FRONTIÈRES, SWITZERLAND NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

(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 Civil Code (article 69a) and of the Swiss Code of Obligations and the Swiss generally accepted accounting principles (Swiss GAAP FER including Swiss GAAP FER 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 12, 2017.

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. Year-end main currency exchange rates are shown in the tab below (equivalent in CHF for one currency unit).

	2016	2015
United-States Dollar	1.0188	0.9952
Australian Dollar	0.7357	0.7273
Canadian Dollar	0.7569	0.7168
Czech Koruna	0.0397	0.0400
Euro	1.0739	1.0835
South-Korean Won	0.0008	0.0008

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 & fixtures	50 years
Fittings & technical installations	Between 15 to 30 years
Office furniture & equipment	Between 5 to 10 years
Computer equipment	Between 3 to 5 years
IT developments	Between 3 to 5 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 organisations) 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 "Short term funding contract commitments" for amounts due in the short term and under "Long term funding contract 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 and legacies

A change in the accounting principles regarding income recognition of bequests and legacies has been implemented in 2016. Bequests and legacies are now recognised as income when they can be estimated in a reliable way and when they formally become property of MSF. Cash transfer is no longer the only criteria for income recognition of this kind of transaction. In compliance with Swiss GAAP FER, prior year audited figures have been restated and presented in the table below.

The statement of changes in capital and funds, the cash flow statement, note 9 "Other current assets" as well as note 19a "Private donations contributed in Switzerland" have been modified accordingly.

	2015 audited	Before 2015 income impact	2015 income impact	2015 restated
STATEMENT OF OPERATIONS				
Private donations from Switzerland	102,033	-	5,191	107,224
TOTAL INCOME	206,379	-	5,191	211,570
RESULT OF ORDINARY ACTIVITIES	6,447	-	5,191	11,638
INTERMEDIATE RESULT	3,417	-	5,191	8,608
ANNUAL RESULT BEFORE CHANGE IN UNRESTRICTED FUNDS	6,464	-	5,191	11,655
RESULT FOR THE FINANCIAL YEAR	20,082	-	5,191	25,273
STATEMENT OF FINANCIAL POSITION				
Other current assets	3,893	2,884	4,789	11,566
TOTAL CURRENT ASSETS	173,097	2,884	4,789	180,770
Other non-current assets	-	1,088	402	1,490
TOTAL NON-CURRENT ASSETS	18,678	1,088	402	20,168
TOTAL ASSETS	191,775	3,972	5,191	200,938
General reserves	123,315	3,972	-	127,287
Net surplus/deficit for the year	20,082	-	5,191	25,273
TOTAL UNRESTRICTED FUNDS	143,397	3,972	5,191	152,560
TOTAL RESTRICTED & UNRESTRICTED FUNDS	143,397	3,972	5,191	152,560
TOTAL LIABILITIES & FUNDS	191,775	3,972	5,191	200,938

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* (see "Other financial information" section at the end of the financial statements) 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 materialize 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 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 59% of its income (2015: 58%) and 71% of its expenses (2015: 72%) 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.

5b Banking risk

MSF Switzerland tends to avoid concentrating this risk, by working with following seven banks in Switzerland: Cantonal Bank of Geneva, Cantonal Bank of Vaud, Cantonal Bank of Bern, Cantonal Bank of Zürich, Migros Bank, UBS and Postfinance. All these establishments have a low risk of default. In the countries in which we run operations, 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 Current liquid assets and reserves

The reserves of MSF Switzerland are indispensable in preserving its operational capacity to react quickly, its independence to define its actions and to follow through on medical commitments to its patients.

MSF Switzerland policy ensures that sufficient cash is available at all times for its operations.

The majority of MSF Switzerland's reserves are made up of cash and short term monetary investments.

	2016	2015
Working Capital in months of activity	7.1	8.2 ¹
Unrestricted funds in months of activity	8.0	9.2 ¹

¹ A change in the accounting principles regarding income recognition of bequests and legacies has been implemented in 2016. In compliance with Swiss GAAP FER, 2015 figures have been restated. See note 2h.

6. Cash & short term investments

	2016	2015
Mission cash & bank accounts	10,543	9,120
Cash & bank accounts at headquarters	86,365	125,933
HQ deposits*	47,507	13,985
Total	144,415	149,038

* MSF Switzerland has cash invested in short term (1-6 months) deposit accounts in various banks.

The following tab shows the cash and short term investments per currency (in CHF) as of end of December:

	2016	2015
CHF	62,940	88,317
USD	57,524	34,650
EUR	16,777	20,148
Other	7,174	5,923
Total in CHF	144,415	149,038

7. Receivables from MSF organisations

	2016	2015
MSF Spain	1,975	1,838
MSF International	887	705
MSF Belgium	647	391
MSF France	444	605
MSF Holland	309	1,017
Other MSF organisations	706	615
Total	4,968	5,171

These receivables resulted from expenses undertaken by MSF Switzerland on behalf of these organisations. "Other MSF organisations" also includes receivables to be collected in the local countries of intervention.



8. Funding contract receivables

	2016	2015
<u>Short term</u>		
MSF organisations	15,132	2,619
IKEA Foundation	1,342	2,709
UNITAID	1,303	760
The Global Fund	568	1,566
ECHO - European Commission	215	217
Others	125	124
SDC – Switzerland	-	7,000
Total Short Term	18,685	14,995
<u>Long term</u>		
UNITAID	-	2,168
IKEA Foundation	-	1,354
The Global Fund	-	458
Total long term	-	3,980

Funding contract receivables come from contractual commitments signed with donors or with other MSF organisations.

9. Other assets

	2016	2015
<u>Short term</u>		
Accrued income	3,634	7,757 ¹
Prepaid expenses	2,734	2,806
Securities	108	144
Inventory	11	254
Other current assets	894	605
Total Short Term	7,381	11,566
<u>Long term</u>		
Accrued income	900	1,490 ¹
Total long term	900	1,490

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 primarily corresponds to computer hardware held at head-quarters and intended for the missions.

Accrued income is mainly composed of bequests and legacies recognized as income but not yet cashed.

10. Tangible & intangible fixed assets

	Buildings & fixtures	Installations & equipment	IT Hardware & Office Furniture	Total tangible fixed assets	Intangible assets	Total 2016	Total 2015
Gross value, as of 1.1	10,107	4,286	4,001	18,394	3,139	21,533	21,186
Disposals	-4	-6	-346	-356	-302	-658	-799
Acquisitions	97	593	402	1,092	321	1,413	1,146
Gross value, as of 31.12	10,200	4,873	4,057	19,130	3,158	22,288	21,533
Accumulated depreciation, as of 1.1	-2,743	-2,895	-2,672	-8,310	-1,688	-9,998	-9,500
Reversals	4	6	346	356	-	356	793
Depreciation	-209	-154	-609	-972	-384	-1,356	-1,291
Accumulated depreciation as of 31.12	-2,948	-3,043	-2,935	-8,926	-2,072	-10,998	-9,998
Net value, as of 1.1	7,364	1,391	1,329	10,084	1,451	11,535	11,686
Net value, as of 31.12	7,252	1,830	1,122	10,204	1,086	11,290	11,535

¹ A change in the accounting principles regarding income recognition of bequests and legacies has been implemented in 2016. In compliance with Swiss GAAP FER, 2015 figures have been restated. See note 2h.

11. Financial assets

	2016	2015
Pre-financing to MSF Logistique for emergency stock	4,604	2,426
Guarantees & deposits	839	737
Total	5,443	3,163

12. Operating liabilities

	2016	2015
Other MSF organisations	7,250	11,397
Third-party suppliers	2,336	3,459
Epicentre	5,479	4,541
MSF Logistique	2,838	2,425
Total	17,903	21,822

See note 20 on purchases from other MSF organisations.

13. Other current liabilities

	2016	2015
Accrued annual leave	2,693	1,889
Towards third parties	977	972
Social debts	2,176	662
Total	5,846	3,523

14. Provisions

	Pension Provisions & post-employment benefits	Provisions for project closures	Other social provisions	Others	Total
Balance at 01.01.2015	689	1,522	1,446	403	4,060
Creation	584	132	211	100	1,027
Use	-199	-1,500	-107	-119	-1,925
Dissolution	-	-	-	-327	-327
Foreign exchange adjustment	-30	-22	-	43	-9
Balance at 31.12.2015	1,044	132	1,550	100	2,826
Balance at 01.01.2016	1,044	132	1,550	100	2,826
Creation	1,362	160	201	-	1,723
Use	-35	-116	-195	-	-346
Dissolution	-	-	-	-	-
Foreign exchange adjustment	14	1	-	2	17
Balance at 31.12.2016	2,385	177	1,556	102	4,220

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.



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15. Short term funding contract commitments

By source	2016	2015
MSF USA	4,462	-
IKEA Foundation	2,685	2,708
UNITAID	720	708
SDC - Switzerland	-	7,000
MSF Germany	-	3,069
The Global Fund	-	1,404
Other	760	354
Total	8,627	15,243

By destination	2016	2015
Syrian Crisis	2,685	2,708
Cameroon	250	-
Mozambique	222	551
Myanmar	168	1,534
Kenya	83	-
Swaziland	5	27
Other*	5,214	10,423
Total	8,627	15,243

* In 2015 "Other" included KCHF 7,000 from the signed agreement with SDC as well as KCHF 3,069 from MSF Germany, which have been allocated during 2016. At the end of 2016, it includes, amongst others, KCHF 4,462 from MSF USA which will be allocated in 2017.

16. Long term funding contract commitments

By source	2016	2015
IKEA Foundation	-	2,709
UNITAID	-	2,255
Total	-	4,964

By destination	2016	2015
Syrian Crisis	-	2,709
Mozambique	-	428
Myanmar	-	1,827
Total	-	4,964

17. Pension plan obligation

MSF Switzerland headquarters' employees and expatriates 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 expatriates. The plan covers the usual occupational benefits: retirement and invalidity pension, and death benefits. Risks are insured by the collective Foundation.

	2016	2015
<u>Employees in Switzerland</u>		
Vested benefits	15,009	13,215
Premiums paid	3,409	2,557
<u>Expatriates</u>		
Vested benefits	1,761	1,760
Premiums paid	837	631

As of December 31, 2016, 284 headquarters employees in Switzerland (2015: 267) and 372 expatriates were affiliated to the plans (2015: 293).

	2016	2015
Capital ratio	108%	106%
Occupational benefits expenses included in Personnel expenses	3,992	2,622

18. Funds restricted to projects

As in 2015, at the end of 2016 MSF Switzerland does not have any funds restricted to projects for future periods. All restricted funds received during the year were used.

19. Detail of Income

19a Private donations contributed in Switzerland

	2016	2015
Donations	62,422	58,132
IKEA Foundation	3,803	3,334
Swiss Solidarity	250	250
Diverse foundations	17,536	27,100
Bequests & legacies	11,419	15,186 ¹
Corporations	2,474	3,206
Other revenues	17	16
Total	97,921	107,224

¹ A change in the accounting principles regarding income recognition of bequests and legacies has been implemented in 2016. In compliance with Swiss GAAP FER, 2015 figures have been restated. See note 2h.

19b Private donations contributed from other MSF organisations

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

	2016	2015
MSF USA	51,218	25,088
MSF Germany	24,550	21,608
MSF Australia	14,525	11,275
MSF Austria	14,283	13,319
MSF Canada	8,781	6,914
MSF Japan	4,692	3,736
MSF South Korea	3,112	3,343
MSF Czech Republic	2,868	2,468
Other MSF organisations	263	95
Total	124,292	87,846

19c Contribution from public institutional donors

Apart from some Swiss cantons and towns, contributions from public institutional donors are received on the basis of contractual commitments.

	2016	2015
SDC - Switzerland	7,000	6,400
AA - Germany	274	2,352
SIDA - Sweden	984	1,440
UNITAID	1,265	1,422
ECHO- European Commission	1,092	1,167
The Global Fund	950	1,106
DFATD-IHA - Canada	365	727
Irish Aid	258	-
Others	265	920
Swiss Cantons & Towns	425	559
Total	12,878	16,093

20. Detail of expenditure

Note 28 presents the expenses by nature 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 33,777 in 2016 (2015: KCHF 28,330); The volume with Epicentre amounted to KCHF 5,580 (2015: KCHF 4,740) and with MSF Supply KCHF 37 (2015: KCHF 304).

20a Programme

Programme costs include all expenses directly associated to the humanitarian activities of MSF in the field. These expenses are directly linked to the activities in the operating countries. They include local expenses as well as expenses incurred at headquarters in the name of local projects such as purchase and freight costs of humanitarian goods or salary costs of expatriates.

Note 29 presents the programme expenditure by nature and mission.

20b Programme support

Programme support includes all expenses incurred by MSF for supporting its humanitarian operational activities. It includes cost incurred by departments to provide technical support (medical, logistic, etc.), support for designing strategies, monitoring and evaluating projects along with recruitment of international staff.

	2016	2015
Programme support	5,763	3,821
Mission Human Resources	7,685	6,341
Medical support	4,778	2,964
Logistical support	4,524	3,178
Programme financing	1,348	1,055
Research	1,597	1,175
Other activities*	1,990	1,582
Total	27,685	20,116

* « Other activities » includes activities performed by MSF Switzerland's offices in Jordan, in Lebanon, in Mexico and in Senegal as well as MSF Switzerland's participation in financing MSF Czech Republic and MSF International.

20c Advocacy, awareness raising & other humanitarian activities

Advocacy and awareness raising are part of the social mission of MSF. They are performed in order to improve the status of populations supported by MSF. This section includes costs incurred for communicating, raising awareness and for putting pressure on all actors to stimulate action.

This category also includes MSF Switzerland's participation in financing the Access Campaign (www.msfacecess.org) and the DNDi Foundation (Drugs for Neglected Diseases initiative). See note 23b.

	2016	2015
Advocacy & awareness raising*	3,697	3,070
Access Campaign	427	361
Advocacy & awareness raising sub-total	4,124	3,431
DNDi	336	326
Total	4,460	3,757

* "Advocacy & awareness raising" includes activities performed by the MSF Switzerland's office in Mexico as well as MSF Switzerland's participation in financing MSF Czech Republic, MSF South-Korea and MSF International.



20d Management & Administration

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

	2016	2015
General management	1,576	1,652
Finance & accountancy	1,821	1,323
Human resources	1,514	888
Communication	275	807
Information systems	-	1,201
Expenditure of the association	862	680
Other activities*	1,041	1,423
Total	7,089	7,974

* « Other activities » includes activities performed by MSF Switzerland's office in Mexico as well as MSF Switzerland's participation in financing MSF Czech Republic, and MSF International

From 2016, all costs incurred by the Information Systems department have been re-allocated to all the other headquarters' activities as they are considered as overheads.

21. Net financial result

	2016	2015
Financial revenue	143	44
Financial expense	-3	-1
Financial result sub-total	140	43
Exchange rate gain or loss	2,524	-3,073
Total	2,664	-3,030

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 28, General & administrative expenses).



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22. Non-operating result

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

	2016	2015
Employees under contract with MSF Switzerland who work for other MSF organisations	-8,849	-6,086
Accommodation costs of MSF International	-741	-605
Grants received on behalf of other MSF Organisations	-249	-
Other expenses incurred for other MSF organisations	-62	-538
Total non-operating expenses	-9,901	-7,229
Total corresponding re-invoiced expenses	9,901	7,229
Non-operating result	-	-

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 2016 and that cannot be terminated, totalled KCHF 3,043 (2015: KCHF 3,977). The missions' commitments amounted to KCHF 987 at the end of 2016 (2015: KCHF 0).

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 organisations. The contribution of each MSF organisation is calculated annually based on private funds raised the previous year. For 2017, the MSF Switzerland's contribution will amount to KEUR 313.

24. In-kind contributions (off balance sheet)

The main donors for 2016 are MSF Holland and MSF Belgium. The main donations are drugs, therapeutic food and relief supplies.

Based on their allocation	2016	2015
Democratic Republic of the Congo	566	102
Niger	290	12
Tanzania	154	-
Other	248	322
Total	1,258	436

At headquarters, free advertising space has been received as in kind donations for a total value of KCHF 360 (2015 : 224).

25. Remuneration of directors & managers

	2016	2015
Compensation paid to the Chairperson	81	68
Compensation paid to the Vice President	29	14
Board of Directors' expenses	3	6
Gross salary of the General Director	171	135
Gross salaries of the other members of the management team (cumulative)	1,103	917
Remuneration...		
...the highest	179	135
...the lowest	63	61

In 2016, in addition to the General Director, the management team was composed of seven positions (as in 2015).

The field staff (national and international) salary grids are regularly reviewed. However, the headquarters' salary grid had not been reviewed since 2005. A catch up occurred in 2016 which explains some of the variations between 2015 and 2016.

The members of the Board are not compensated except for the President receiving an agreed compensation. His compensation is determined by the Board. In 2016, the compensation paid to the President corresponds to a full time equivalent role of 50%.

In accordance with the articles of association of MSF Switzerland, exceptionally, one or two members may receive compensation on the basis of a detailed Terms of Reference established by the Board of Directors. In this context in 2016, the Board asked the vice president to work on a specific case for which he received compensation equivalent to working at 20%.

26. Auditors Fees

	2016	2015
Audit of the Statutory Accounts	130	116
Other audits and services	73	47
Total	203	163

"Other audits and services" primarily relates to fees for audits requested by institutional donors.

27. Subsequent events

There have been no significant events impacting the 2016 annual accounts between the balance sheet date and the date of signing the financial statements.

28. Statement of expenditure classified by nature and activity

	Programme	Programme support	Advocacy, awareness raising & other humanitarian activities	Fundraising	Management & administration	Other costs	Total 2016	Total 2015
Personnel ¹	85,332	21,315	2,009	2,644	4,865	8,879	125,044	97,501
Medical & nutrition purchases	28,786	-	-	-	-	-	28,786	22,009
Non-medical purchases ²	20,081	18	-	-	-	-	20,099	22,668
Transportation & travel expenses	21,577	1,304	108	79	177	-	23,245	19,901
Medical & non-medical services	13,205	1,752	156	569	510	-	16,192	10,395
Postage, publication & advertising expenses	428	329	934	4,778	212	-	6,681	6,802
Property rentals (offices, warehouses, medical structures, etc.)	7,163	476	42	48	150	216	8,095	7,181
General & administrative expenses	6,010	1,130	158	787	344	557	8,985	7,603
Depreciation	379	818	91	163	207	-	1,658	1,299
Contribution to other organisations	308	543	962	2,445	624	249	5,131	11,802
Total	183,269	27,685	4,460	11,513	7,089	9,901	243,917	207,161

¹ Headquarters briefing and debriefing costs included.

² Vehicles purchases included.



29. Statement of programme expenditure by nature and mission

	Personnel ¹	Medical & nutrition purchases	Non-medical purchases ²	Transportation & travel expenses	Medical & non-medical services	Administration & depreciation	Other expenses	Total 2016	Total 2015
Burundi	395	169	305	147	61	131	-	1,208	-
Cameroon	7,701	3,384	2,420	1,829	666	1,008	-	17,008	13,244
Central African Republic	3,281	856	844	1,213	187	648	81	7,110	5,752
Chad	3,230	639	942	889	633	662	-	6,995	8,561
Democratic Republic of the Congo	10,589	2,941	3,393	5,460	1,163	1,689	87	25,322	17,746
Kenya	5,423	1,185	941	722	630	732	-	9,633	8,047
Liberia	-	-	-	-	-	-	-	-	579
Mozambique	2,109	1,030	313	213	316	561	5	4,547	4,986
Niger	7,016	1,949	1,803	1,301	5,097	906	2	18,074	12,986
Nigeria	831	1,752	1,278	1,522	144	166	-	5,693	-
Sierra Leone	-	-	-	-	-	-	-	-	3,146
South Sudan	7,956	1,814	1,811	1,884	126	1,387	-	14,978	15,490
Sudan	1,223	118	355	143	98	262	24	2,223	3,283
Swaziland	3,380	1,670	314	282	129	548	-	6,323	6,265
Tanzania	3,637	1,895	911	1,159	743	535	-	8,880	6,232
Zambia	148	16	64	110	176	106	-	620	-
Other Countries	1,037	66	330	236	72	474	-	2,215	2,131
TOTAL AFRICA	57,956	19,484	16,024	17,110	10,241	9,815	199	130,829	108,448
Iraq	6,594	1,568	1,166	1,134	151	576	-	11,189	9,814
Lebanon	6,254	2,634	412	182	1,358	1,119	-	11,959	9,848
Syria	1,167	492	244	142	103	108	-	2,256	2,311
Yemen	4,724	2,036	630	1,323	827	402	86	10,028	2,162
Other Countries	81	-	8	9	-	30	-	128	-
TOTAL MIDDLE-EAST	18,820	6,730	2,460	2,790	2,439	2,235	86	35,560	24,135
Kirghizstan	1,301	197	191	147	97	376	-	2,309	2,085
Myanmar	1,476	1,357	492	374	95	395	-	4,189	3,084
Other Countries	-	-	-	-	-	-	-	-	189
TOTAL ASIA	2,777	1,554	683	521	192	771	-	6,498	5,358
Ecuador	9	2	225	16	-	6	-	258	-
Haiti	-	-	-	-	-	-	-	-	3,044
Honduras	699	28	216	72	21	124	-	1,160	1,230
Mexique	631	29	39	114	51	206	-	1,070	1,150
TOTAL AMERICA	1,339	59	480	202	72	336	-	2,488	5,424
Austria	33	-	-	1	-	2	-	36	191
Greece	930	145	114	85	29	165	-	1,468	-
Ukraine	948	811	213	74	7	271	-	2,324	3,822
TOTAL EUROPE	1,911	956	327	160	36	438	-	3,828	4,013
Cross-cutting	2,529	3	107	794	225	385	23	4,066	2,428
Financing for other MSF organisations' projects*	-	-	-	-	-	-	-	-	7,579
TOTAL	85,332	28,786	20,081	21,577	13,205	13,980	308	183,269	157,385

* In 2015 "Financing for other MSF organisations' projects" included the financing of various projects in the world carried out by MSF Belgium, MSF Spain and MSF France.

In 2016, MSF Switzerland has not financed any project carried out by another MSF section

¹ Headquarters briefing and debriefing costs included.

² Vehicle purchases included.

OTHER FINANCIAL INFORMATION

MSF International Accounts

The following information is extracted from the *MSF International Movement Financial Report 2015*, which combines the accounts of the 21 main offices worldwide (Australia, Austria, Belgium, Brazil, Canada, Denmark, France, Germany, Greece, Holland, Hong Kong, Italy, Japan, Luxembourg, Norway, South Africa, Spain, Sweden, Switzerland, The United Kingdom and the United States) together with the Financial Statements of the offices in Argentina, Czech Republic, Republic of South Korea, India, Ireland and satellite organisations (MSF Supply, MSF Logistique, Epicentre, Fondation MSF, Etat d'Urgence Production, MSF Assistance, SCI MSF, SCI Sabin, Fondation MSF Belgium, Ärzte Ohne Grenzen Foundation and MSF Enterprises Limited) and MSF International.

The combined Financial Statements are a means of transparency and accountability, illustrating the financial situation of the movement as a whole.

The statutory accounts of MSF Switzerland are published before the international ones, so please note that figures shown below are from 2015.



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In thousands of Euros	2015	2014
Private funds	1,332,102	1,141,693
Public grants	94,634	114,659
Other income	17,081	23,988
TOTAL INCOME	1,443,817	1,280,340
Programme expenses	-872,248	-699,074
Headquarters programme support	-134,811	-113,921
Advocacy	-37,244	-31,063
Other humanitarian activities	-13,314	-14,087
Fundraising costs	-163,812	-147,186
Administration	-61,320	-60,204
Extraordinary expenses	-9	-366
Taxes	-3	-187
TOTAL EXPENSES	-1,282,761	-1,066,088
Net foreign exchange gains/losses	5,694	9,654
LOSS / SURPLUS	166,750	223,906

In thousands of Euros	2015	2014
Cash & equivalents	1,024,744	857,824
Other current assets	134,017	106,190
Non-current assets	98,907	88,257
TOTAL ASSETS	1,257,668	1,052,271
Liabilities	166,931	172,969
Own funds	1,090,737	879,302
TOTAL LIABILITIES & OWN FUNDS	1,257,668	1,052,271

Financial Indicators	2015	2014
DISTRIBUTION OF EXPENDITURE		
Social mission	82%	80%
Fundraising	13%	14%
Administration	5%	6%
	100%	100%
SOURCE OF REVENUE		
Private funds	92%	89%
Public funding	7%	9%
Other income	1%	2%
	100%	100%

Source: *The MSF International Movement Financial Report 2015*
(www.msf.org)



Glossary

AA	Federal Foreign Office, Foreign Office of the German Federal Government
SDC	Swiss Agency for Development and Cooperation (Switzerland)
DFATD-IHA	Department of Foreign Affairs, Trade and Development Canada, International Humanitarian Assistance Directorate
ECHO	European Commission Humanitarian Aid Department
SIDA	International Agency for Cooperation and Development (Sweden)

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