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MÉDECINS SANS FRONTIÈRES SWITZERLAND FINANCIAL STATEMENTS AS OF DECEMBER 31, 2018

(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 2017 General Assembly, the statutory auditor, PricewaterhouseCoopers SA has audited the financial statements for the year ended December 31, 2018, 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 10, 2019

To the best of our knowledge the financial statements for the year ended 31 December 2018 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 10, 2019

For the board of directors



Reveka Papadopoulou,
President



Karim Laouabdia,
Treasurer

For the direction



Liesbeth Aelbrecht,
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 29), for the year ended 31 December 2018. 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 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 2018 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER 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, 10 May 2019

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MÉDECINS SANS FRONTIÈRES, SWITZERLAND
STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2018

(with comparative figures for 2017)

(in thousands of Swiss francs)

	Notes	Unrestricted	Restricted	Total 2018	Total 2017
INCOME					
Private donations from Switzerland	19a	80,266	19,957	100,223	100,698
Private donations from other MSF organisations	19b	-	144,672	144,672	137,572
Contribution from public institutional donors	19c	102	9,099	9,201	10,434
Other income		208	-	208	253
TOTAL INCOME		80,576	173,728	254,304	248,957
EXPENDITURE					
Programme	20a	-72,212	-150,371	-222,583	-191,346
Programme support	20b	-13,047	-22,180	-35,227	-31,214
Advocacy, awareness raising & other humanitarian activities	20c	-4,277	-318	-4,595	-4,851
Social mission expenditure sub-total		-89,536	-172,869	-262,405	-227,411
Fundraising		-14,230	-466	-14,696	-13,379
Management & Administration	20d	-8,473	-393	-8,866	-7,925
TOTAL EXPENDITURE		-112,239	-173,728	-285,967	-248,715
RESULT OF ORDINARY ACTIVITIES		-31,663	-	-31,663	242
Net financial result	21	989	-	989	1,965
Non-operating result	22	-	-	-	-
RESULT BEFORE CHANGE IN CAPITAL AND FUNDS		-30,674	-	-30,674	2,207
Change in restricted funds*		-	-	-	-
ANNUAL RESULT BEFORE CHANGE IN UNRESTRICTED FUNDS		-30,674	-	-30,674	2,207
Change in unrestricted funds*		-	-	-	-
RESULT FOR THE FINANCIAL YEAR		-30,674	-	-30,674	2,207

* 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, 2018

(with comparative figures for 2017)

(in thousands of Swiss francs)

ASSETS	Notes	2018	2017
CURRENT ASSETS			
Cash & short term investments	6	108,795	142,689
Receivables from MSF organisations	7	8,019	7,415
Funding contract receivables in the short term	8	22,139	17,094
Other current assets	9	13,984	7,272
TOTAL CURRENT ASSETS		152,937	174,470
NON-CURRENT ASSETS			
Funding contract receivables in the long term	8	14,888	-
Tangible & intangible fixed assets	10	12,726	11,859
Financial assets	11	7,271	6,732
Other non-current assets	9	500	700
TOTAL NON-CURRENT ASSETS		35,385	19,291
TOTAL ASSETS		188,322	193,761

LIABILITIES	Notes	2018	2017
CURRENT LIABILITIES			
Operating liabilities	12	13,966	13,697
Other current liabilities	13	9,022	5,379
Short term funding contract commitments	15	17,383	9,381
Provisions	14	5,044	6,611
TOTAL CURRENT LIABILITIES		45,415	35,068
NON-CURRENT LIABILITIES			
Long term funding contract commitments	16	14,888	-
TOTAL NON-CURRENT LIABILITIES		14,888	-
RESTRICTED FUNDS			
Funds restricted to projects	18	-	-
TOTAL RESTRICTED FUNDS		-	-
UNRESTRICTED FUNDS			
General reserve		158,693	156,486
Net surplus/deficit for the year		-30,674	2,207
TOTAL UNRESTRICTED FUNDS		128,019	158,693
TOTAL RESTRICTED & UNRESTRICTED FUNDS		128,019	158,693
TOTAL LIABILITIES & FUNDS		188,322	193,761



MÉDECINS SANS FRONTIÈRES, SWITZERLAND
CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2018

(with comparative figures for 2017)

(in thousands of Swiss francs)

	2018	2017
Intermediate result before change in funds	-30,674	2,207
./ Securities' donations	-6	-868
./ Depreciation	1,463	1,442
./ Provisions and valuation adjustments	2,214	2,993
./ Unrealised foreign exchange gain	-781	-255
Result for the year (before change in net working capital)	-27,784	5,519
Change in grants receivable	-18,727	868
Change in the funding contract commitments	23,200	820
Change in the other assets	-7,885	-1,055
Change in the other liabilities	933	-5,443
CASH FLOW FROM OPERATING ACTIVITIES	-30,263	709
INVESTMENT ACTIVITIES		
Investment in building & fixtures	-5	-148
Investment – Work in Progress	-701	-350
Acquisition of furniture & computer equipment	-242	-293
IT developments in process	-1,307	-1,236
Financial assets	-772	-874
CASH FLOW FROM INVESTING ACTIVITIES	-3,027	-2,901
FINANCING ACTIVITIES		
CASH FLOW FROM FINANCING ACTIVITIES	-	-
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	-33,290	-2,192
Cash & cash equivalents, beginning of year	142,689	144,415
Effect of foreign currency conversions on cash & cash equivalents	-604	466
Cash & cash equivalents, end of year	108,795	142,689



MÉDECINS SANS FRONTIÈRES, SWITZERLAND **STATEMENT OF CHANGES IN CAPITAL AND FUNDS FOR THE YEAR ENDED DECEMBER 31, 2018**

(with comparative figures for 2017)

(in thousands of Swiss francs)

	Unrestricted funds 2018		Restricted funds 2018	Total funds 2018	Unrestricted funds 2017		Restricted funds 2017	Total funds 2017
	General Reserve	Net surplus/deficit for the financial year	Total	Total	General Reserve	Net surplus/deficit for the financial year	Total	Total
SITUATION AS OF JANUARY 1	156,486	2,207	-	158,693	152,560	3,926	-	156,486
Allocation to the general reserve	2,207	-2,207	-	-	3,926	-3,926	-	-
CHANGE IN FUNDS OVER THE YEAR								
Intermediate result	-	-30,674	-	-30,674	-	2,207	-	2,207
Allocation to restricted funds*	-	-173,837	173,728	-	-	-171,226	171,226	-
Use of the restricted funds*	-	173,837	-173,728	-	-	171,226	-171,226	-
NET CHANGE IN FUNDS	-	-30,674	-	-30,674	-	2,207	-	2,207
SITUATION AS OF DECEMBER 31	158,693	-30,674	-	128,019	156,486	2,207	-	158,693

* Donations, bequests and legacies whose use is restricted by the donor, are considered restricted funds. These restrictions can be geographical (by region, by country, etc.), by project or by theme depending on the donor's wishes. These funds are aggregated in the statement of changes in capital and funds. The funds that could not be used during the current year are detailed in note 18. At the end of 2018 and 2017, MSF Switzerland had no allocated funds.

Financing contracts are considered as liabilities and therefore do not appear in this table.



MÉDECINS SANS FRONTIÈRES, SWITZERLAND NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

(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.

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.

The financial statements and the activity report are published on the MSF Switzerland website: www.msf.ch

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). They comply with the requirements of the ZEWO Foundation. The financial statements have been prepared using historical cost principles.

The Board of Directors approved the MSF Switzerland annual financial statements on May 10, 2019.

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 MSF Switzerland in Dakar as well as 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.

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).

	2018	2017
United-States Dollar	0.9842	0.9757
Australian Dollar	0.6948	0.7625
Canadian Dollar	0.7221	0.7781
Czech Koruna	0.0438	0.0458
Euro	1.1269	1.1702
South-Korean Won	0.0009	0.0009

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.

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 tangible assets 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).

Bequests and legacies

Legacies and bequests are recognized as income when they can be estimated reliably and are formally acquired by MSF Switzerland.

2h 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.

2i 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.

2j 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).

2k 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 on 61% of its income (2017: 59%) and 72% of its expenses (2017: 71%) 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.

	2018	2017
Working Capital in months of activity	4.5	6.7
Unrestricted funds in months of activity	5.4	7.7

6. Cash & short term investments

	2018	2017
Mission cash & bank accounts	12,455	10,557
Cash & bank accounts at headquarters	68,704	99,690
HQ deposits*	27,636	32,442
Total	108,795	142,689

* 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 :

	2018	2017
CHF	37,883	40,514
USD	47,977	57,944
EUR	16,724	37,051
Other	6,211	7,180
Total in CHF	108,795	142,689

7. Receivables from MSF organisations

	2018	2017
MSF Spain	3,480	2,900
MSF France	1,829	571
MSF International	1,240	1,262
MSF Belgium	587	904
MSF Holland	370	1,032
Other MSF organisations	513	746
Total	8,019	7,415

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

	2018	2017
<u>Short Term</u>		
IKEA Foundation	7,888	-
SDC – Switzerland	7,000	7,000
MSF organisations	5,583	5,645
UNITAID	596	2,119
Swiss Solidarity	487	1,500
The Global Fund	435	570
Geneva Canton	150	260
Total Short Term	22,139	17,094
<u>Long Term</u>		
IKEA Foundation	7,888	-
SDC – Switzerland	7,000	-
Total long term	14,888	-

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

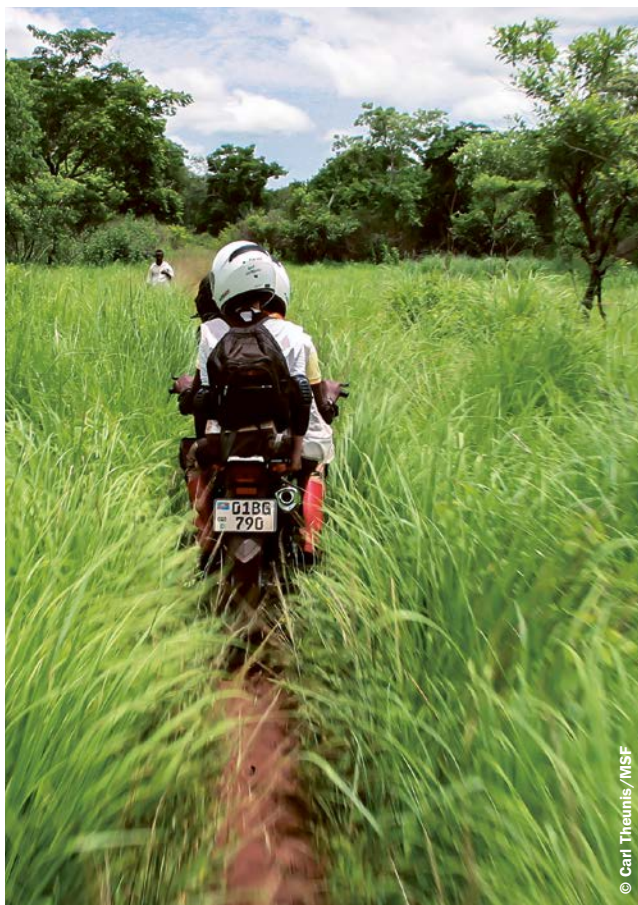
9. Other assets

	2018	2017
<u>Short Term</u>		
Accrued income	10,842	4,509
Prepaid expenses	1,946	1,730
Securities	61	49
Inventory	46	9
Other current assets	1,089	975
Total Short Term	13,984	7,272
<u>Long Term</u>		
Accrued income	500	700
Total long term	500	700

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

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.





10. Tangible & intangible fixed assets

	Buildings & fixtures	Work in Progress	Installations & equipment	IT Hardware & Office Furniture	Total tangible fixed assets	Intangible assets	Total
Gross value, as of 1.1.2017	10,200	-	4,873	4,057	19,130	3,158	22,288
Disposals	-	-	-	-685	-685	-379	-1,064
Acquisitions	-	356	61	295	712	1,322	2,034
Gross value, as of 31.12.2017	10,200	356	4,934	3,667	19,157	4,101	23,258
Accumulated depreciation, as of 1.1.2017	-2,948	-	-3,043	-2,935	-8,926	-2,072	-10,998
Reversals	-	-	-	662	662	379	1,041
Depreciation	-215	-	-205	-586	-1,006	-436	-1,442
Accumulated depreciation as of 31.12.2017	-3,163	-	-3,248	-2,859	-9,270	-2,129	-11,399
Net value, as of 1.1.2017	7,252	-	1,830	1,122	10,204	1,086	11,290
Net value, as of 31.12.2017	7,037	356	1,686	808	9,887	1,972	11,859
Gross value, as of 1.1.2018	10,200	356	4,934	3,667	19,157	4,101	23,258
Disposals	-	-15	-	-151	-166	-574	-740
Acquisitions	-	1,038	4	242	1,284	1,226	2,510
Gross value, as of 31.12.2018	10,200	1,379	4,938	3,758	20,275	4,753	25,028
Accumulated depreciation, as of 1.1.2018	-3,163	-	-3,248	-2,859	-9,270	-2,129	-11,399
Reversals	-	-	-	151	151	409	560
Depreciation	-207	-	-189	-393	-789	-674	-1,463
Accumulated depreciation as of 31.12	-3,370	-	-3,437	-3,101	-9,908	-2,394	-12,302
Net value, as of 1.1.2018	7,037	356	1,686	808	9,887	1,972	11,859
Net value, as of 31.12.2018	6,830	1,379	1,501	657	10,367	2,359	12,726

11. Financial assets

	2018	2017
Pre-financing to MSF Logistique for emergency stock	4,830	5,016
Guarantees & deposits	885	836
Securities	880	880
Pre-financing to MSF Greece	676	-
Total	7,271	6,732

12. Operating liabilities

	2018	2017
Other MSF organisations	5,797	7,013
Third-party suppliers	3,797	2,226
MSF Logistique	2,986	1,767
Epicentre	1,386	2,691
Total	13,966	13,697

See note 20 on purchases from other MSF organisations.

13. Other current liabilities

	2018	2017
Social debts	3,521	1,871
Accrued annual leave	3,339	2,874
Towards third parties	2,162	634
Total	9,022	5,379

14. Provisions

	Pension Provisions & post-employment benefits	Provisions for project closures	Other social provisions	Others	Total
Balance at 01.01.2017	2,385	177	1,556	102	4,220
Creation	1,846	743	194	392	3,175
Use	-186	-175	-173	-	-534
Dissolution	-65	-	-	-99	-164
Foreign exchange adjustment	-82	-2	-	-2	-86
Balance at 31.12.2017	3,898	743	1,577	393	6,611
Balance at 01.01.2018	3,898	743	1,577	393	6,611
Creation	1,103	319	150	614	2,186
Use	-2,613	-369	-252	-	-3,234
Dissolution	-102	-386	-	-35	-523
Foreign exchange adjustment	6	12	-	-14	4
Balance at 31.12.2018	2,292	319	1,475	958	5,044

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. Short term funding contract commitments

By source	2018	2017
IKEA Foundation	7,888	-
SDC - Switzerland	7,000	7,000
MSF USA	2,192	-
Swiss Solidarity	200	1,627
Geneva Canton	75	200
City of Geneva	18	-
UNITAID	10	543
Other	-	11
Total	17,383	9,381

By destination	2018	2017
Niger	200	-
Yemen	75	-
Kenya	18	-
Kirghizstan	10	543
Nigeria	-	1,000
Iraq	-	417
Syrian Crisis	-	410
Other*	17,080	7,011
Total	17,383	9,381

* In 2018, « Other » includes KCHF 7,888 corresponding to the IKEA Foundation and KCHF 7,000 corresponding to the SDC financing contribution for our activities as well as KCHF 2,192 from MSF USA. The allocation will be decided in 2019. At the end of 2017, it included, KCHF 7,000 from the SDC.

16. Long term funding contract commitments

By source	2018	2017
IKEA Foundation	7,888	-
SDC - Switzerland	7,000	-
Total	14,888	-

By destination	2018	2017
Other*	14,888	-
Total	14,888	-

* In 2018, « Other » includes KCHF 7,888 corresponding to the IKEA Foundation and KCHF 7,000 corresponding to the SDC financing contribution for our activities. The allocation will be decided in 2019.

17. Pension plan obligation

MSF Switzerland headquarters' employees and international staff subject to AVS benefit from a scheme covering retirement, invalidity pension, and death benefits 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. The Plan is funded by the contributions of MSF Switzerland, the headquarters' employees and the international staff subject to AVS. The plan covers the usual occupational benefits: pension, invalidity and death benefits. Risks are insured by the collective Foundation.



Expatriate employees not subject to AVS are insured with HIC Hauteville Insurance Company for disability and death. Funding is provided by MSF Switzerland contributions. This cover offers both annuity and capital benefits, with a view to fairness when compared to the benefits provided to expatriates who are subject to AVS. A saving contribution is paid directly to employees, in proportion to the amount MSF contributes to expatriates subject to AVS.

	2018	2017
Employees in Switzerland		
Vested benefits	20,177	17,763
Premiums paid	4,378	3,912
International staff subject to AVS		
Vested benefits	1,832	1,806
Premiums paid	458	602

As of December 31, 2018, 341 employees are registered with the headquarters staff plan (2017,325). 61 international staff are registered with the expatriate plan subject to Swiss law by Profond (2017, 72). See above.

As of December 31, 2018, 368 expatriates not subject to Swiss law are affiliated to the HIC Hauteville Insurance Company plan (2017, 332).

	2018	2017
Capital ratio	103%	113%
Occupational benefits expenses included in Personnel expenses	4,395	4,631

Pension costs within Personnel expenses include all the pension costs of the employees who are subject to and not subject to AVS.

18. Funds restricted to projects

As in 2017, at the end of 2018 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

	2018	2017
Donations	54,098	61,655
IKEA Foundation	8,062	6,477
Swiss Solidarity	2,139	4,123
Diverse foundations	10,162	10,354
Bequests & legacies	24,121	15,944
Corporations	1,621	2,125
Other revenues	20	20
Total	100,223	100,698

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.

	2018	2017
MSF USA	63,579	57,271
MSF Germany	28,582	29,510
MSF Australia	13,466	16,305
MSF Austria	13,337	12,468
MSF Canada	9,816	9,504
MSF Japan	5,339	4,634
MSF South Korea	5,858	4,491
MSF Czech Republic	3,533	2,979
MSF Denmark	750	-
MSF Mexico	220	316
Other MSF organisations	192	94
Total	144,672	137,572

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.

	2018	2017
SDC - Switzerland	7,350	7,000
UNITAID	348	1,050
The Global Fund	610	819
DFATD-IHA - Canada	-	713
Geneva Canton	535	410
City of Geneva	120	106
Other Swiss Cantons & Towns	238	336
Total	9,201	10,434

20. Detail of expenditure

Note 28 presents the expenses by nature and activity.

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

- MSF Logistique (France) which is a non-profit humanitarian purchasing centre.
- 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 30,360 in 2018 (2017: KCHF 24,960); The volume with Epicentre amounted to KCHF 2,968 (2017: KCHF 2,980).

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 international staff.

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.

	2018	2017
Programme support	7,251	6,641
Mission Human Resources	9,710	8,530
Medical support	5,554	5,155
Logistical support	7,175	5,704
Programme financing	1,369	1,292
Research	1,569	1,297
Other activities *	2,599	2,595
Total	35,227	31,214

* "Other activities" includes activities performed by MSF Switzerland's office in Senegal as well as MSF Switzerland's participation in financing MSF Mexico 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.

	2018	2017
Advocacy & awareness raising *	3,837	4,057
Access Campaign	436	456
Advocacy & awareness raising sub-total	4,273	4,513
DNDi	322	338
Total	4,595	4,851

* "Advocacy & awareness raising" includes MSF Switzerland's participation in financing MSF Mexico and MSF International.

20d Management et administration

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

	2018	2017
General management	2,221	1,623
Finance & accountancy	2,180	2,098
Human resources	1,725	1,698
Communication	341	388
Expenditure of the association	996	913
Other activities *	1,403	1,205
Total	8,866	7,925

* "Other activities" includes MSF Switzerland's participation in financing MSF Mexico and MSF International.

21. Net financial result

	2018	2017
Financial revenue	614	474
Financial expense	-1	-11
Financial result sub-total	613	463
Exchange rate gain or loss	376	1,502
Total	989	1,965

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).



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.

	2018	2017
Employees under contract with MSF Switzerland who work for other MSF organisations	-13,249	-11,430
Accommodation costs of MSF International	-1,090	-1,057
Grants received on behalf of other MSF Organisations	-54	-179
Other expenses incurred for other MSF organisations	-56	-64
Total non-operating expenses	-14,449	-12,730
Total corresponding re-invoiced expenses	14,449	12,730
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 four or five years. The minimum future leases of more than 12 months as of 31st of December 2018 and that cannot be terminated, totalled KCHF 3,359 (2017: KCHF 4,213). The missions' commitments amounted to KCHF 843 at the end of 2018 (2017: KCHF 987).

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 2019-2023 for all MSF organisations. The contribution of each MSF organisation is calculated annually based on private funds raised the previous year. For 2019, the MSF Switzerland's contribution will amount to KEUR 269.

24. In-kind contributions (off balance sheet)

The main donors in 2018 are the World Food Programme (WFP) and UNICEF. The main donations are drugs, therapeutic food and relief supplies.

Based on their allocation	2018	2017
Kenya	936	428
Iraq	158	-
Tanzania	133	-
Niger	112	98
Other	278	155
Total	1,617	681

In 2017, free advertising space had been received at headquarters as in kind donations for a total value of KCHF105. Nothing was received in kind in 2018.

25. Remuneration of directors & managers

	2018	2017
Compensation paid to the Chairperson	169	133
Compensation and remuneration paid to other members of the Board of Directors ¹	27	5
Board of Directors' expenses	8	11
Gross salary of the General Director	170	220
Gross salaries of the other members of the management team (cumulative)	1,354	1,129
Remuneration...		
...the highest	170	179
...the lowest	57	57

In 2018, in addition to the General Director, the management team was composed of eight positions (seven in 2017).

The members of the Board are not compensated except for the Chairperson. His/her compensation is determined by the Board. His/her compensation is linked to two distinct activities: Chairperson of MSF Switzerland and Chairperson of the Supervisory Board of the Geneva Operational Centre within the MSF movement.

¹ 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 2018, a member of the Board of Directors received remuneration for consulting work on a specific Association project. The amount paid in 2018 amounted to KCHF 27.

26. Auditors Fees

	2018	2017
Audit of the Statutory Accounts	123	127
Other audits and services	45	106
Total	168	233

"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 2018 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	Total 2018	Total 2017
Personnel ¹	112,126	26,428	2,315	4,066	5,736	150,671	139,693
Medical & nutrition purchases	28,599	8	-	-	-	28,607	23,826
Non-medical purchases ²	19,458	45	-	-	-	19,503	18,295
Transportation & travel expenses	17,761	1,893	101	201	218	20,174	19,484
Medical & non-medical services	15,284	2,743	171	390	714	19,302	14,018
Postage, publication & advertising expenses	466	350	617	5,697	155	7,285	7,216
Property rentals (offices, warehouses, medical structures, etc.)	8,253	559	48	75	108	9,043	8,934
General & administrative expenses	8,725	1,062	134	753	333	11,007	8,694
Depreciation	323	675	69	333	242	1,642	1,464
Contribution to other organisations	11,588	1,464	1,140	3,181	1,360	18,733	7,091
Total	222,583	35,227	4,595	14,696	8,866	285,967	248,715

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 2018	Total 2017
Burkina Faso	1,864	839	1,238	536	296	397	-	5,170	242
Cameroon	7,478	841	840	800	638	934	-	11,531	13,382
Kenya	8,526	1,553	757	802	1,128	681	-	13,447	11,927
Mozambique	2,404	1,812	256	243	463	420	-	5,598	5,244
Niger	8,638	2,069	1,799	1,551	2,287	975	-	17,319	15,292
Nigeria	3,833	644	1,153	866	129	619	-	7,244	6,896
Central African Republic	-	-	-	-	-	-	-	-	4,251
Democratic Republic of the Congo	8,944	3,814	3,533	3,455	1,751	2,297	94	23,888	18,862
Somalia	160	270	58	69	-	28	-	585	50
Sudan	2,893	1,015	911	613	124	277	56	5,889	3,944
South Sudan	10,534	2,175	2,750	2,477	473	1,669	-	20,078	15,741
Eswatini	3,603	1,467	285	300	97	615	-	6,367	6,416
Tanzania	4,438	1,452	1,023	746	877	557	-	9,093	8,572
Chad	2,446	234	259	485	143	503	-	4,070	7,231
Other Countries	1,000	130	223	125	9	358	-	1,845	3,369
Total AFRICA	66,761	18,315	15,085	13,068	8,415	10,330	150	132,124	121,419
Iraq	9,836	1,821	1,065	938	3,001	1,003	-	17,664	19,295
Lebanon	6,473	2,366	405	234	341	1,400	-	11,219	11,095
Syria	8,535	1,786	820	721	2,049	920	1	14,832	7,937
Yemen	6,865	1,907	921	1,078	818	927	24	12,540	11,413
Other Countries	311	-	11	49	-	77	-	448	209
Total MIDDLE-EAST	32,020	7,880	3,222	3,020	6,209	4,327	25	56,703	49,949
Kirghizstan	1,755	288	128	216	217	338	-	2,942	3,083
Myanmar	1,587	743	167	314	78	329	3	3,221	3,112
Other Countries	12	-	3	9	-	11	-	35	11
Total ASIA	3,354	1,031	298	539	295	678	3	6,198	6,206
Honduras	1,681	203	235	166	129	257	1	2,672	2,038
Mexique	1,095	31	128	158	9	295	-	1,716	1,901
Other Countries	27	-	6	6	-	12	-	51	-
TOTAL AMERICA	2,803	234	369	330	138	564	1	4,439	3,939
Greece	2,376	342	184	104	53	422	-	3,481	2,113
Ukraine	1,911	779	118	103	31	460	-	3,402	3,137
TOTAL EUROPE	4,287	1,121	302	207	84	882	-	6,883	5,250
Cross-cutting activities	2,901	18	182	597	143	986	-	4,827	4,583
Financing for other MSF organizations' projects*	-	-	-	-	-	-	11,409	11,409	-
TOTAL	112,126	28,599	19,458	17,761	15,284	17,767	11,588	222,583	191,346

¹ Headquarters briefing and debriefing costs included

² Vehicle purchases included.

* In 2018, "Financing for other MSF organizations' projects" includes the financing of projects led by MSF Spain in Niger for KCHF 5,705 and in Ethiopia for KCHF 5,704.

OTHER FINANCIAL INFORMATION

MSF International Accounts

The following information is extracted from the *MSF International Movement Financial Report 2017*, 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, 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 2017.



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In thousands of Euros	2017	2016
Private funds	1,471,067	1,438,346
Public grants	29,869	53,997
Other income	30,822	23,955
TOTAL INCOME	1,531,758	1,516,299
Programme expenses	-1,084,526	-989,385
Headquarters programme support	-190,266	-170,550
Advocacy	-46,259	-45,134
Other humanitarian activities	-13,707	-12,311
Fundraising costs	-203,166	-173,645
Administration	-78,439	-67,819
Extraordinary expenses	-	-
Taxes	-	-2
TOTAL EXPENSES	-1,616,363	-1,458,847
Net foreign exchange gains/losses	-18,928	11,375
LOSS / SURPLUS	-103,533	68,828

In thousands of Euros	2017	2016
Cash & equivalents	839,580	1,001,121
Other current assets	230,305	222,635
Non-current assets	257,823	228,870
TOTAL ASSETS	1,327,708	1,452,625
Liabilities	265,741	238,985
Own funds	1,061,967	1,213,641
TOTAL LIABILITIES & OWN FUNDS	1,327,708	1,452,625

Financial Indicators	2017	2016
DISTRIBUTION OF EXPENDITURE		
Social mission	83%	83%
Fundraising	12%	12%
Administration	5%	5%
SOURCE OF REVENUE		
Private funds	96%	95%
Public funding	2%	4%
Other income	2%	1%

Source: *The MSF International Movement Financial Report 2017*
(www.msf.org)



Glossary

SDC	Swiss Agency for Development and Cooperation (Switzerland)
DFATD-IHA	Department of Foreign Affairs, Trade and Development Canada, International Humanitarian Assistance Directorate



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