

Financial Statements 2015

Vereniging Artsen zonder Grenzen

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* the information published in the annexes is not audited



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Financial Statements 2015 Vereniging Artsen zonder Grenzen

'I now see the sea in a completely different light. I know there are people there, scrambling into ramshackle boats. The only luggage they have is their hope and illusions. What's at stake here is the health and dignity of thousands of people. That's why we help.'

Chiara Montaldo

Project coordinator, Sicily, August 2015

The Financial Statements 2015 include the financial information of the Association Artsen zonder Grenzen (MSF-Holland) and the activities carried out under its direct responsibility. The Vereniging Artsen zonder Grenzen / Médecins Sans Frontières The Netherlands was founded September 7, 1984 and has its registered office and actual address at Plantage Middenlaan 14, 1018 DD Amsterdam, The Netherlands.

Our mission

The organizing of practical medical aid to people in disaster areas and crises worldwide, in accordance with the principles expressed in the Charter. Medical humanitarian aid to people in emergency situations, whether caused by conflict, social conflict or natural disaster is the core of what we do. **Based on our medical work, we will also make every effort towards effective advocacy on behalf of the section of the population that we aid.**

The Charter and more comprehensive information about the organisation are published on the website of MSF-Holland (www.artsenzondergrenzen.nl) and in the Annual Report of MSF-Holland. The Annual Report is published on the website (www.artsenzondergrenzen.nl/jaarverslag).

MSF-Holland

MSF-Holland uses the trade names "Artsen zonder Grenzen"; "Médecins Sans Frontières The Netherlands"; "MSF-Holland" and "Operational Centre Amsterdam (MSF-OCA)".

▲ A boat containing approximately 650 people is rescued in the Mediterranean Sea by the Bourbon Argos and taken to Sicily. Italy, August 2015.

The Association MSF-Holland is registered with the Amsterdam Chamber of Commerce under number 41215974 and has the ANBI status with RSIN number

006790264. The Association MSF-Holland is a member of the branch organisation Goede Doelen Nederland and is certified by the Central Bureau on Fundraising (CBF). The conditions for CBF certification can be consulted on www.cbf.nl.

MSF-Holland in the international movement Médecins sans Frontières

MSF-Holland is part of the international network of Médecins Sans Frontières which in 2015 counted 24 institutional members (MSF-sections) worldwide. In addition to MSF-Holland four other MSF operational centres carry out projects independently and under the responsibility of their respective Boards.

Each of the MSF-sections is an independent economic and legal entity. The MSF-sections are united in the Swiss-based association Médecins sans Frontières International. As the MSF-sections have become increasingly interdependent, these Financial Statements include a chapter Partnerships that further describes the financial performance of the larger MSF-network, the mutual agreements made between the MSF-sections, the governance between the MSF-sections and the risks resulting from their interdependencies.

In 2013 MSF-Holland established an office in India, MSF-India, in which it participates with 80% of the issued share capital. The other 20% of issued share capital is held by MSF-UK. Due to Indian foreign exchange permission regulations the share capital is not yet paid. In Annex 2 of these Financial Statements the Statement of Expenditure and Income related to MSF India and the Balance Sheet of MSF-India are presented for information purposes only and include all payments made by MSF-Holland related to the activities of MSF-India. The MSF-India accounts are not consolidated in the 2015 MSF-Holland balance sheet as the interest in MSF-India is relatively limited and of temporary nature.

As of April 2016 (starting the new Indian fiscal year) MSF-Holland will reduce its participation in MSF-India to a maximum of 10% of the issued share capital.

In these Financial Statements the financial cash flows between the MSF-sections are presented as specifically and as transparently as possible.

Accounting guidelines

These Financial Statements have been prepared in accordance with Dutch GAAP (Generally Accepted Accounting Principles) and in particular with Guideline 650 for the Reporting of Fundraising Institutions (revised 2011) as published by the Dutch Accounting Standards Board (RJ 650, Raad voor de Jaarverslaggeving) in January 2012. The specific purpose of the Guideline 650 is to provide insight in the raising of funds and the realised expenditure on the objectives for which the funds were raised.

In various parts of the Financial Statements, reference is made to the guidelines and recommendations of the Dutch charity branch organisation Goede Doelen Nederland. MSF-Holland has voluntarily complied to the agreed guidelines. The main relevant guidelines are the governance code for fundraising organisations, the guidelines on the holding of financial reserves, and the guideline on remuneration for the director and the management. These guidelines can be consulted on www.goededoelennederland.nl. The MSF-sections make use of commonly agreed principles of interpretation and cost allocation that are laid down in MSF GAAP and that are consistent with the accounting policies applied in these Financial Statements.

Presentation of the Financial Statements

Because we consider the expenditures on the Association's goals to be our principle objective, we deviate from the prescribed model for the presentation of income and expenditure. These Financial Statements show our expenditures before our income. In addition the Statement of Expenditure and Income is shown before the Balance Sheet.

The Accounting Policies and the basis used for the valuation of the expenditure and the assets are explained in chapter 4 of the Financial Statements. It is recommended that this be read before viewing the Statement of Expenditure and Income and the Balance Sheet. In 2015 there were no changes to accounting policies or accounting estimates.

In applying the principles and policies for drawing up these Financial Statements, management makes different estimates and judgments that may be essential to the amounts disclosed in the financial statements. The nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item, in order to provide the transparency required under the Dutch Civil Code, article 362:1, Book 2.

Financial Risks and Forward Statement

Our medical emergency aid operations and financial health could be adversely effected by certain risks. In the Board Accountability Statement our approach to risk management, internal controls and the extent of the exposure to certain risk is further elaborated. Financial risks are included in chapter 5 of these Financial Statements.

In Annex 1 Forward Statement on expenditure and income the development of main reporting indicators is included. The forward-looking statements are linked to our strategic medical operational ambitions. By their nature forward-looking statements relate to future events and circumstances and therefore contain uncertainty. Whereas for a part this is anticipated, actual results may differ materially from those presented here.

MAIN FINANCIAL TRENDS 2015

Increased expenditure on operations

In 2015 our expenditure increased by 17% compared to the previous year. The majority of this increase was caused by the increase of expenditure on our medical emergency aid operations by € 39.4 million to € 200.7 million. In 2015 the amount spent on association goals was 94% of the total expenditure (2014: 93%) and 86% of total income (2014: 87%).

In 2015 we employed 8,616 full time staff (2014: 8,485 full time staff) working in 115 emergency aid projects in 30 missions divided over 28 countries (2014: 23 countries) and at the head office.

Impact of exchange rate developments

In 2015 exchange rate developments had a significant impact on our expenditure on operations as well as our income. Early in 2015 we estimated that maintaining the same operations volume as in 2014 would result in an increased cost of € 11.4 million which would be counterbalanced by an increased euro value of foreign currency income estimated at € 5.2 million. Of the total increased expenditure on operations of € 39.4 million approximately € 14.0 million can be attributed to exchange rate effects, leaving an actual operations growth in financial volume of € 25.4 million. Of the total increase in income of 10%, as explained below, an amount of approximately € 9.5 million or 4% can be explained by exchange rate effects. This amount represents half of the increase in income realised from within the MSF-network and from institutional donors.

Income

While our total expenditure of € 234.7 million exceeded the budgeted level for the year by 10%, we closed the year with a much higher income than anticipated as donations from private donors in Holland and in the other MSF-sections remained generous. The total income increased by 20% compared to 2014 and ended at € 256.4 million. The retained increase of income in 2015 can be attributed to the significant engagement and high visibility of our emergency operations in fighting the Ebola outbreak in West-Africa in 2014, and our continued intense engagement in some of the world's major humanitarian crises such as in Afghanistan, Syria and the Mediterranean Sea refugee crisis. In addition, the improving economic circumstances contributed to a higher income from private donors. In 2015 we received an extraordinary donation of € 5.0 million from the **National Postcode Lottery**.

During the year we decreased the target of grants from institutional donors funding our operations expenditure from 17% to 10%, resulting in a decrease of € 7.4 million to € 20.5 million.

In the coming years we intend to stabilise institutional donor fundraising around this amount, reducing its relative share in income.

Financial position at year end

The overall operational developments for the year resulted in a financial surplus of € 21.5 million which is generally in line with the budgeted surplus for the year. After the addition of the result from 2015, MSF-Holland's reserves reached a level of 8.7 months (2014: 9.3 months) in relation to the average total expenditure over the past 2 years (2014 and 2015) and the budget for the current year 2016.

In close cooperation with the other MSF-sections we are seeking to responsibly disburse the available free reserves on emergency aid in the coming years. In 2015 a new financial agreement between the MSF-sections was concluded (see chapter 6.4 International financial cooperation). In the agreement a substantial amount of the combined total of reserves held between the MSF-sections of € 237.5 million was set aside to initiate new activities and initiatives to improve and expand our emergency aid operations for the period 2016-2019.

For the period 2015-2019 we have outlined an ambitious medical and operations plan that involves investing in our emergency response capacity and expanding our medical and public health services. The approved budget for 2016 includes a planned increase in operational expenditure (see note 2.1 and Annex 1, Forward Statement).

Reserves and current balance sheet positions

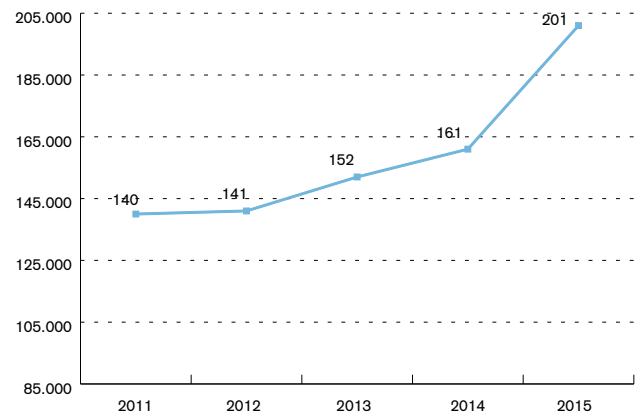
In line with our current reserves policy, a transfer of € 20.0 million to the continuity reserves (see note 3.8 a) was made in order to keep the continuity reserves at the desired level of 6 months of operational expenditure. The continuity reserves include a buffer capital of € 65.0 million to cover for the potential adverse financial impact of certain risks in our medical and operational activities or financial conditions. Inventory and receivables increased by € 14.8 million while payables increased by € 15.7 million. The overall surplus translates into an increase in liquidity and subsequent increase of the overall reserves position.

Main financial indicators

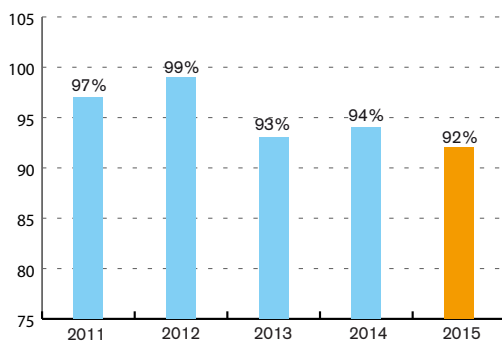
The financial indicators presented here give an overview of the main expenditure and income figures for the year 2015 and the perspective of a five year trend. Our main financial reporting indicators concern the development of our operational expenditure and reserves:

- the growth of our emergency aid expenditure in euro;
- the total expenditure as percentage of the total income;
- the delivery of medical emergency aid plus the direct support needed to realise that (association goals) as percentage of total expenditure;
- the costs of fundraising relative to the fundraising income realised relative to sector and internal benchmarks;
- the development of our reserves relative to sector and internal benchmarks;
- the cost of management and administration as percentage of the total expenditure; and
- the composition of income for the year 2015.

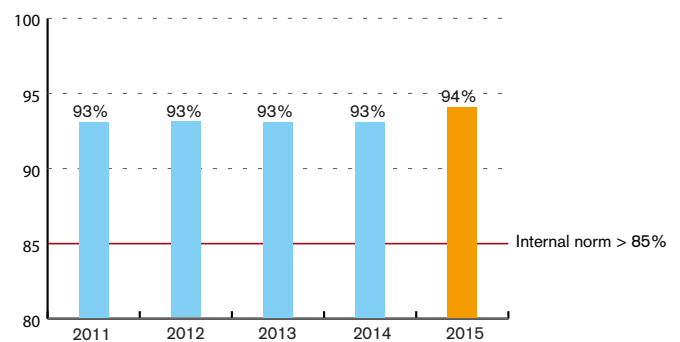
GROWTH OF EMERGENCY AID PROJECTS in euro millions



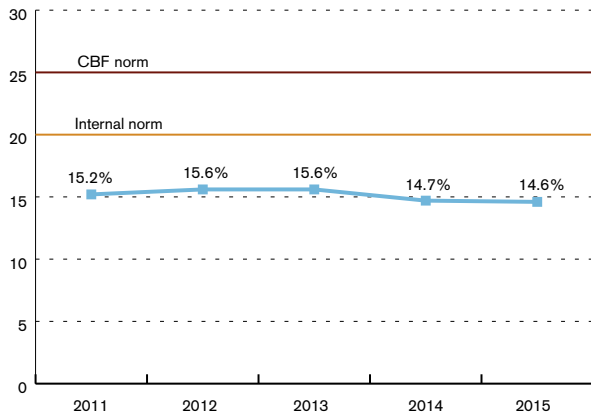
TOTAL EXPENDITURE as percentage of total income



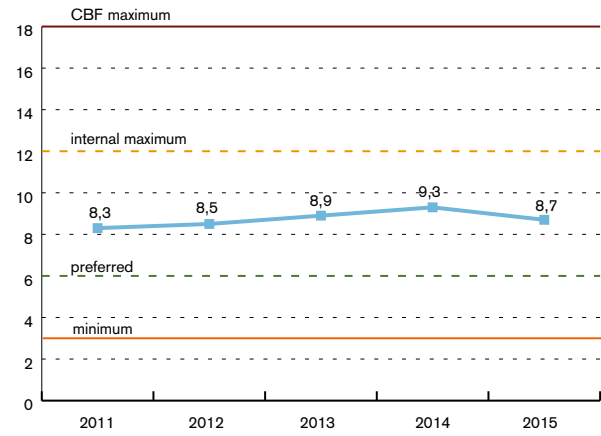
EXPENDITURE ON ASSOCIATION OBJECTIVES as percentage of total expenditure



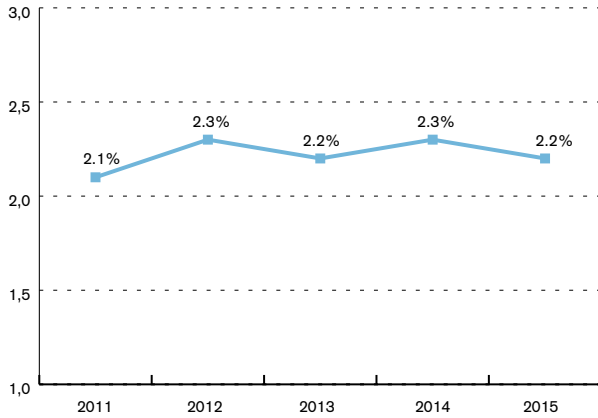
COST OF OWN FUNDRAISING as percentage of total income own fundraising



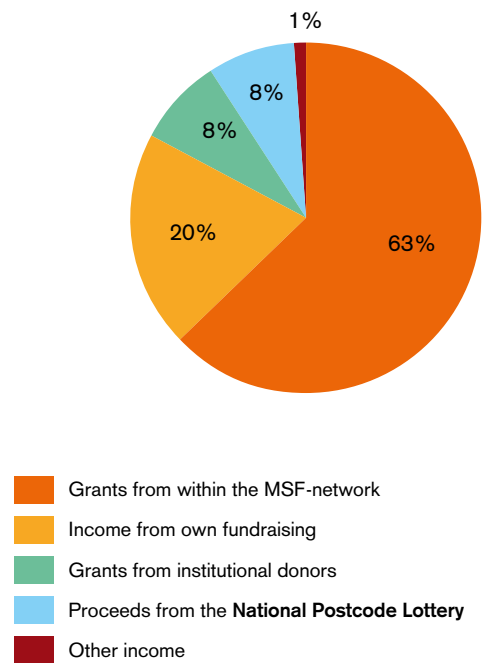
MONTHS OF RESERVES



COST OF MANAGEMENT AND ADMINISTRATION as percentage of total expenditure



ORIGIN OF INCOME 2015



Statement of Expenditure and Income for 2015 in euro thousands

EXPENDITURE	Explanatory notes	2015	budget 2015	2014
Spent on Association goals				
Emergency aid	2.1	200,734	179,000	161,298
Emergency aid commissioned through thirdparties	2.2	311	329	8,838
Preparation, coordination and programme support	2.3	15,827	14,170	12,973
Information and awareness raising	2.4	2,669	3,178	2,154
Total spent on Association goals		219,541	196,677	185,263
Fundraising expenses				
Costs own fundraising	2.5	7,587	8,416	7,668
Costs thirdparty fundraising activities	2.6	320	356	822
Costs acquisition institutional donor grants	2.7	195	201	157
Total fundraising expenses		8,102	8,973	8,647
Management and administration	2.8	5,146	5,592	4,549
Contributions to MSF-India	annex 2	1,954	1,600	1,436
Total expenditure	2.9	234,743	212,842	199,895
INCOME				
Income from own fundraising	2.10	51,819	48,504	52,192
Income from thirdparty fundraising activities				
Proceeds from the National Postcode Lottery	2.11	20,162	20,700	14,027
Other income from thirdparty fundraising activities	2.11	0	0	911
Grants from within the MSF-network	2.12	162,672	137,780	116,866
Grants from institutional donors	2.13	20,477	27,000	27,872
Interest income	2.14	918	1,000	1,058
Other income	2.14	328	0	146
Total income		256,376	234,984	213,072
Result operational activities		21,633	22,142	13,177
Exchange rate results - loss/income	2.15	-163	0	1,669
RESULT EXPENDITURE AND INCOME		21,470	22,142	14,846
ALLOCATION OF THE RESULT				
Additions to and withdrawals from the reserves				
Continuity reserves	3.9 a	20,000	0	6,000
Appropriation reserves	3.9 b	2,840	0	-326
Other free reserves	3.9 c	-1,378	22,142	9,878
Appropriated funds	3.9 d	8	0	-706
Total		21,470	22,142	14,846

Balance Sheet as at 31 December 2015 in euro thousands

ASSETS	<i>Explanatory notes</i>	31 December 2015	31 December 2014
Tangible fixed assets			
Operating assets	3.1 a	2,404	2,229
Real estate	3.1 b	450	450
Financial Assets			
Loans and receivables	3.2	86	0
		2,940	2,679
Inventory			
Stocks for emergency aid	3.3	7,735	5,070
Receivables and accrued income			
Grants from within the MSF-network	3.4	6,697	8,130
Grants from institutional donors	3.5	21,769	7,269
Receivable from inheritances	3.6	8,209	10,308
Other receivables and accrued income	3.7	4,842	3,897
		41,517	29,604
Cash at bank and in hand	3.8	162,772	140,415
Total assets		214,964	177,768
LIABILITIES			
Reserves and funds			
Reserves			
Continuity reserves	3.9 a	115,000	95,000
Appropriation reserves	3.9 b	10,589	7,749
Other free reserves	3.9 c	43,034	44,412
		168,623	147,161
Funds			
Appropriated funds	3.9 d	154	146
		168,777	147,307
Long-term liabilities			
	3.10	7,891	3,809
Short-term liabilities			
	3.11	38,296	26,652
Total liabilities		214,964	177,768

Cash Flow Statement for 2015 in euro thousands

CASH FLOW RECEIPTS FROM OPERATING ACTIVITIES	2015	2014
Receipts from own fundraising:		
Contributions, (charitable) donations and gifts	41,100	40,648
Legacies and bequests (inheritances)	11,471	10,877
Grants from private organisations	995	320
Total received from own fundraising	53,566	51,845
Receipts from the National Postcode Lottery	18,500	13,500
Receipts from Emo Foundation (Tour for life)	0	911
Receipts from MSF-sections		
Received from MSF-Germany	64,262	43,611
Received from MSF-USA	28,650	19,485
Received from MSF-United Kingdom	28,197	23,266
Received from MSF-Canada	15,944	13,831
Received from MSF-Hong Kong	10,746	6,691
Received from MSF-Sweden	7,975	8,889
Received from other MSF-sections	6,938	5,921
Total received from MSF-sections (concerning project grants)	162,712	121,694
Received from institutional donors	19,434	29,810
Other receipts		
Interest received	932	1,089
Received tax net and VAT	698	377
Received from MSF-sections for monies advanced	3,110	2,386
Other receipts	209	153
Total other receipts	4,949	4,005
Total receipts	259,161	221,765

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CASH FLOW PAYMENTS FROM OPERATING ACTIVITIES	2015	2014
Payments made in project countries	103,379	84,600
Transfers to and payments on behalf of MSF-India	2,174	1,424
Emergency aid commissioned through thirdparties	14	56
Payments to MSF-sections		
Grants to MSF-Belgium and MSF-Spain	0	11,500
Payments to MSF-Belgium	8,231	3,165
Payments to MSF-USA	3,120	2,300
Payments to MSF-Canada	2,293	2,299
Payments to MSF-Germany	2,725	2,271
Payments to MSF-United Kingdom	3,103	1,874
Payments to MSF-International (including contributions)	1,243	1,554
Payments to other MSF-sections	6,119	5,096
Payments to MSF-Supply and MSF-Logistique	14,419	11,259
Total payments to MSF-sections	41,253	41,318
Payments at head office		
Payments to suppliers of goods and services	62,680	46,808
Payments concerning expatriate and head office personnel	27,733	25,994
Total payments at head office	90,413	72,802
Total payments	237,233	200,200
Total cash flow from operating activities	21,928	21,565
CASH FLOW FROM INVESTMENT ACTIVITIES		
Payments concerning investments in tangible fixed assets	294	755
Receipts from disinvestments	0	-221
Total Cash flow from investment activities	294	534
CASH FLOW FROM FINANCING ACTIVITIES		
Cash flow from financing activities	0	0
Total cash flow from financing activities	0	0
Total cash flow	21,634	21,031
Adjustment to exchange rates at end of financial year	723	1,852
MOVEMENT IN LIQUIDITY POSITION	22,357	22,883
MOVEMENT IN LIQUIDITY POSITION		
Liquidity position at the end of the financial year	162,772	140,415
Liquidity position at the beginning of the financial year	140,415	117,532
Movement in liquidity position	22,357	22,883

Cash flow from operating activities

The Cash Flow Statement has been prepared according to the direct method in order to provide a clearer view of the different flows of funds in the organisation and in particular the cash flows between MSF-Holland and the other MSF-sections.

As at the end of 2015 payables increased by € 15.7 million while receivables, inventory and operating assets increased by € 14.8 million, which explains the larger part of the difference of € 0.9 million between the Movement in liquidity position and the Result expenditure and income.

Receipts

Receipts from the MSF-sections concern mainly project grants. Receipts from project grants (from MSF-sections and institutional donors) are explained in more detail in note 3.4 and note 3.5 of these Financial Statements.

The item Received from MSF-sections for monies advanced consists of receipts referring to employees of MSF-Holland who are seconded to another MSF-section and advances to other MSF-sections for emergency aid projects.

Payments

In 2015 payments made in the countries in which projects are being carried out totalled € 103.4 million (2014: € 84.6 million). About half of the payments made in the project countries are to local personnel. Locally purchased medical items, transport, and non-medical items are the next largest items. Given the current organisation of the projects, amply half of the expenses for the projects are paid in the countries or the regions where these are being carried out.

The payments to MSF-International concern contributions to office and internationally coordinated activities and projects such as the campaign Access to Essential Medicines and the MSF-International fund for (medical) innovation in aid projects. The transfers to and on behalf of MSF-India are for a large part direct payments to suppliers.

The payments to the countries in the MSF-network concern mainly remuneration for hired-in employees posted to and working in the project countries and payments for joint projects.

The payments to the purchasing organisations MSF-Supply (Belgium) and MSF-Logistique (France) are included as payments within the MSF-network. Mainly vehicles, medicines and specialised supplies are purchased through these procurement centres/depots of MSF-Belgium and MSF-France. Major advantages of scale are obtained through joint procurement, and stocks of aid supplies are more efficiently maintained within the international organisation. In 2015, a total of € 16.0 million (2014: € 11.1 million) was ordered from these purchasing organisations.

Cash flow from investing activities

Purchases of tangible fixed assets came to € 0.6 million in 2015, mainly concerning the replacement of desktops in the Amsterdam office and the development of budgeting software for our project locations.

Notes to the Statement of Expenditure and Income in 2015

‘As long as I am here, I do what I can: ensuring we provide emergency aid and doing my bit to help people in need. But it is also about restoring human dignity, hope and solidarity.’

Christine Buesser

Project coordinator, Yemen, September 2015.

In 2015 our total expenditure increased by 17% compared to the previous year. This was caused by the increase of expenditure on our medical emergency aid operations by € 39.4 million to € 200.7 million. Of the total increased expenditure on operations of € 39.4 million, approximately € 14.0 million can be attributed to exchange rate effects, leaving an actual operations growth in financial volume of € 25.4 million. In 2015 the amount spent on association goals was 94% of the total expenditure (2014: 93%) and 86% of the total income (2014: 87%). The total operational expenditure was 92% of the total income (2014: 94%).

The total cost of our own fundraising was 14.6% of the amount raised; slightly lower than in 2014 (14.7%). It remains substantially under the internal indicator of 20% set by the Board and the CBF norm of 25%. The amount spent on management and administration in 2015 was 2.2% of the total expenditure (2014: 2.3%).

The costs of our direct emergency aid relate to projects carried out or being carried out in the countries where we are engaged in medical humanitarian operations. The expenditure on direct emergency aid increased by € 39.4 million, from € 161.3 million in 2014 to € 200.7 million in 2015. The overall increase exceeds the budget by € 21.7 million. In response to the increasing humanitarian needs additional budget was made available for unplanned emergency aid. During the year this budget was allocated to a variety of unplanned emergency aid projects.

EXPENDITURE

2.1 Emergency aid in euro thousands

In 2015 our medical emergency work in contexts of armed conflict expanded. On several occasions our medical humanitarian mission was violated by direct attacks on medical facilities in Leer, South Sudan, in Yemen, in Kobani, Northern Syria, and in Afghanistan where the MSF hospital in Kunduz was destroyed. In 2015 we again expanded our hospital programs in Helmand and started in Kandahar in Afghanistan. The additional expenditure of € 2.7 million lead to a total expenditure of € 9.8 million for the country.

Despite the operational challenges we expanded our operations in the Middle East, responding to the increasing humanitarian needs created by the ongoing armed conflicts in Syria and Yemen. In Turkey, Iraq, Jordan and Syria, the total expenditure for the context increased from € 9.0 million to € 17.2 million as we are engaged in a wide variety of activities ranging from surgical support to out-patient care, emergency room support, vaccination, non-communicable diseases, mental health, water & sanitation, and distribution of non-food items (NFI). In Yemen we are supporting hospitals in the south of the country on both sides of the frontline in Taiz, Qataba, and Ad Dhale'e primarily with maternity services and emergency room support, increasing the expenditure on emergency aid from € 2.8 million to € 8.5 million.

In Ethiopia we were granted permission to assist the Eritrean refugees in the Tigray region in two refugee camps while we also expanded our medical aid to people in the Gambela region fleeing the violence in South Sudan. The expenditure in Ethiopia increased from € 8.9 million to € 12.8 million providing basic health care in hospitals and health posts, and the provision of water and sanitation activities. In Myanmar we regained access to Rakhine and restarted reproductive health and HIV-related activities for the Rohingya population, and we expanded our work on HIV and tuberculosis treatment in Shan State and Kachin State. While expenditure for Rakhine decreased compared to 2014, the overall expenditure for Myanmar ended at €13.6 million, € 1.9 million higher.

As in 2014 the humanitarian circumstances in South Sudan remained very tenuous. Following continuing fighting and violence against civilians in southern Unity State, a large part of the population fled to Bentiu where we responded to the sudden influx with increased hospital capacity, the establishment of health posts and increased surveillance. Besides addressing hepatitis-E and

malnutrition, we responded to a large outbreak of malaria, treating approximately 67,000 patients during the year. Overall expenditure ended lower compared to 2014 as in 2015 we were able to use prepositioned stock of therapeutic food that was purchased and transported in 2014.

In DR Congo our hospital capacity and outreach activities in Baraka and Kimbi were expanded, also partly due to a significant increase in malaria cases, resulting in an overall operations expenditure increase for the year from € 21.4 million to € 27.9 million.

In 2015 we responded to the earthquake in Nepal in a 2.5 months intervention. We focused on assistance to people in remote areas distributing shelter kits by helicopter to remote villages, providing basic health care, mental health support and installing emergency water installations.

In March 2015, we entered into a partnership with MOAS for providing medical care on their rescue operations on the Mediterranean Sea and in line with our strategic ambition to engage more with 'people on the move'. Advocacy communications were a main component of the operation that ended in September.

Early in the year our engagement in Sierra Leone in the Ebola response could be downsized as the number of admissions in our Ebola treatment centres dropped considerably. We are committed to stay in Sierra Leone focussing on post-Ebola gaps in the medical care in the country.

In the budget of 2015 an amount of € 20.7 million was reserved for unplanned emergency aid projects. During 2015 the Board approved an increase of € 21.7 million to the funds available for unplanned emergency aid projects to a total of € 42.2 million. During the year this budget was allocated to existing and new emergency projects.

In 2013 we started an ambitious Tuberculosis breakthrough project with the aim to radically improve the treatment of extreme drug resistant tuberculosis through the application of innovative treatment methods and new drug regimens. This project will be carried out between 2013 and 2017. The expenditures of the Tuberculosis breakthrough project are included in both coordination and preparation (€ 779,786) and the expenses of the projects in

Uzbekistan (€ 850,416) and Swaziland (€11,748). In total we spent € 2,443,786 on the Tuberculosis breakthrough project in the period 2013-2015. The Tuberculosis breakthrough project is funded by the **National Postcode Lottery Dream Fund**.

More information on our emergency aid projects is published on our website www.artsenzondergrenzen.nl.

Costs emergency aid per country	Project costs 2014	Budget 2015	Project costs 2015	Budget 2016*
Afghanistan	7,201	7,991	9,787	14,594
Bangladesh	3,024	2,912	3,650	4,098
Central African Republic	10,088	8,724	10,837	10,219
Chad	8,428	5,811	7,704	9,481
DR Congo	21,422	22,087	27,915	27,604
Ethiopia	8,960	8,449	12,781	14,235
Haiti	7,224	7,220	9,097	10,177
India	3,151	4,157	4,749	4,949
Iraq	0	0	2,051	5,895
Jordan	6,933	8,454	10,229	12,330
Kenya	519	400	571	1,888
Malaysia	0	0	287	511
Mediterranean Sea	0	0	1,554	0
Myanmar	11,741	13,386	13,609	14,804
Nepal	0	0	1,966	0
Nigeria	4,548	4,118	6,189	6,485
Pakistan	6,582	5,461	6,829	7,970
Papua New Guinea	3,480	3,004	3,609	1,150
Philippines	56	0	0	0
Russia	3,580	5,736	4,121	6,102
Sierra Leone	5,454	6,106	6,624	4,348
Somalia	177	0	182	529
South Sudan	29,160	21,762	25,255	15,896
Swaziland	2,819	4,221	3,735	4,400
Syria	2,095	2,403	3,098	5,254
Tajikistan	1,370	2,047	1,795	2,145
Turkey	0	0	1,814	2,095
Uzbekistan	5,931	8,123	7,923	9,099
Yemen	2,792	2,822	8,491	10,318
Zimbabwe	4,321	2,877	3,876	4,473
Various exploratory projects	93	0	52	0
Reserved in the budget for unplanned emergency aid projects		20,729		28,951
	161,149	179,000	200,380	240,000
Other costs and movements in provisions for emergency aid costs	149	0	207	0
Depreciation costs	0	0	147	0
Total emergency aid expenditures	161,298	179,000	200,734	240,000

*Budget 2016 is not audited

The composition of the expenditure for emergency aid in main categories is as follows:

Emergency aid per category	Project costs 2014	Budget 2015	Project costs 2015	Budget 2016*
Purchase of medical items	26,280	31,584	34,087	42,776
Purchase of non-medical items	12,238	10,292	14,899	17,357
Subcontracted services	7,224	10,300	12,315	16,249
Transport	22,461	22,338	27,835	28,111
General and running costs	7,116	8,971	9,239	11,053
Miscellaneous and other costs	297	0	329	0
Personnel costs				
Costs expatriate staff posted in projects	37,213	40,997	44,225	50,079
Costs national staff	48,469	54,518	57,805	74,375
Total emergency aid expenditures	161,298	179,000	200,734	240,000

*Budget 2016 is not audited

Included in the item Subcontracted services are the payments of incentives to staff working in emergency aid projects but employed by the ministry of health of the project country of € 4,623,401 (2014: € 2,946,895) and

payments for referral of patients and external laboratory testing of € 2,366,097 (2014: € 1,888,991). Personnel costs are further explained in the notes below.

2.1a Personnel costs and personnel emergency aid projects in euro and full time equivalents

In 2015 we employed 8,616 full time staff (2014: 8,485 full time staff) working in 115 emergency aid projects in 30 missions divided over 28 countries (2014: 23 countries) and at the head office. In this note 2.1a personnel costs and personnel emergency aid projects are explained. In note 2.9a and 2.9b the personnel at head office is further explained.

Personnel posted in emergency aid projects are charged directly to the emergency aid expenditures. Costs included in the item Costs expatriate staff posted in projects include personnel costs related to salaries, housing, international transport, training and preparation for departure and

posting. Included are costs of personnel to whom the provisions of Dutch labour law apply as well as costs of personnel that are posted from other MSF-sections. As expected the item Salaries for expatriate staff to whom Dutch labour law applies ended lower than in 2014. This was caused by a change in the fiscal treatment of one of the salary components resulting in a lower taxable income. For the staff employed under Dutch contract terms, the components of expatriate staff salaries, social security and pension costs included in the item Costs expatriate staff and posted in projects (direct costs Emergency aid) are as follows:

Expatriate staff on Dutch contract terms	2015	Budget 2015	2014
Salaries	10,764,590	10,689,512	11,144,815
Social security contribution	539,321	483,802	471,531
Pension contributions	1,287,041	1,175,846	1,309,829
Costs expatriate staff hired from other MSF-sections	14,237,894	11,000,000	11,278,424

In 2015 the number of expatriate staff positions showed a growth of 9% compared to 2014 and ended at 740 full time equivalents (FTE) well above the originally planned budget of 675 FTE. In line with the increased budget for unplanned emergency aid projects the expatriate staffing budget was increased to 740 FTE during 2015. The growth

in FTE is mainly visible in the category expatriate staff hired from other MSF-sections that increased to 375 FTE (2014 332 FTE).

The total number of departures increased from 1,255 in 2014 to 1,450 in 2015.

Expatriate staff	2015	Budget 2015	2014
Emergency aid - expatriate staff on Dutch contract terms	329	310	314
Emergency aid - expatriate staff hired from other MSF-sections	375	329	332
Emergency aid - (Amsterdam) office staff seconded to project countries	11	18	12
Total expatriate staff	715	657	658
Emergency aid - Non allocated FTE (paid in-between-mission leave, sick leave, etc.)	25	18	20
Total expatriate staff	740	675	678

Expatriate staff departures	2015	Budget 2015	2014
Medical	397	452	362
Paramedical	376	425	299
Logistics, administrative & other	677	680	594
Number of departures of expatriate staff	1,450	1,557	1,255
Gender (women - men)	46% - 54%	n/a	46% - 54%
Nationality (Dutch - other)	12% - 88%	n/a	12% - 88%
Average age	41	n/a	41

Remuneration policy expatriate personnel

The remuneration policies for expatriate staff are fully aligned between all MSF-sections. The remuneration for expatriate staff is based on two main principles: an indemnity for the first 12 months of volunteer employment and a salary after 12 months of employment. The salary is benchmarked to the cost of living of the resident country of the expatriate and takes into account local labour market conditions. The remuneration grid for expatriate staff is composed of 6 main categories of responsibility. During their posting expatriate staff receive a basic per diem allowance that is indexed according to the cost of living of the country where they are posted. In July 2014 MSF's international remuneration policy and remuneration grid were changed taking full effect in 2015. Mainly as a result of adjusting the remuneration to local labour market benchmarks, the salary costs of staff on a Dutch contract

decreased by 8% while the costs of expatriate staff hired from other MSF-sections increased by 12%. The 8% decrease is caused by the fact that many non-European expatriates are employed on a Dutch contract.

Pension contributions expatriate staff

As of 1 January 2013 a pension scheme for all (expatriate) staff on a Dutch contract was entered into with the Premium Pension Institution Brand New Day. The pension premium is fully paid by MSF-Holland to the statutory maximum of 1.75% savings. The costs of the pension scheme remained in line with the budget 2015. For more information on the pension scheme for staff see note 2.9b and the chapter 4: Accounting Policies.

National staff employed in the project countries	2015	Budget 2015	2014
Medical	321	310	290
Paramedical	2,994	3,104	3,138
Non-medical project staff	769	622	1,302
Logistics, administrative & other support	3,591	3,749	2,894
Total national staff employed in the project countries	7,675	7,785	7,624

National staff salaries

Salaries national staff (including taxes and social security costs)	49,918,407	42,571,000	42,355,715
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In 2015 the registration of support staff in medical facilities changed from Non-Medical project staff to Logistics, administrative and other support. Comparative figures for 2014 could not be adjusted.

Remuneration policy national staff

National staff employed in the project countries are remunerated in accordance with MSF's international reference function grid and according to benchmark

evaluations performed to ensure a fair and competitive pay in the country in which they are employed. In addition, the MSF-OCA standard terms and conditions of employment apply. MSF-Holland does not have any obligations from foreign pension plans for national staff other than mandatory social security contributions.

2.1b Typology of expenditure and funding of projects

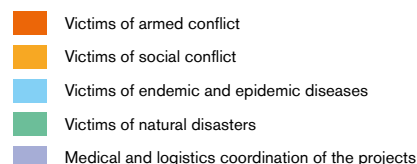
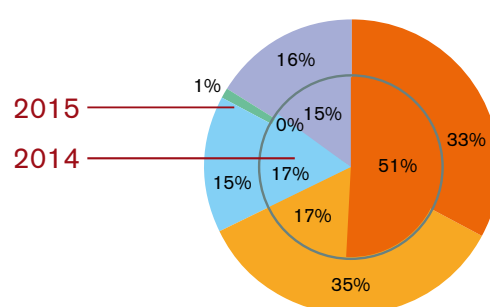
In the *Strategic Plan 2015-2019* that is established by the Board we envisage the majority of our portfolio consisting of programmes responding to situations of conflict and other types of humanitarian crises, in which we address unmet medical needs. The objectives set out in the Strategic Plan can be related to the expenditure on emergency aid, the typology of our expenditure on emergency aid and the source of financing of our operational expenditures. In 2015 66% (2014: 56%) of our projects were situated in contexts of armed conflict and internal instability. In addition, the graphics indicate which groups of beneficiaries have been reached by MSF-Holland/OCA. In 2015 we responded to the Nepal earthquake natural disaster. The emergency aid in stable countries was higher in 2014 due to the Ebola response and decreased again in 2015.

Early 2015 we adjusted our aim of funding 17% of the expenditure on emergency aid with grants from institutional donors to 10% which was achieved (2014: 17%). Compared to 2014, funding of emergency aid by private donor funding increased by 7% to 90%.

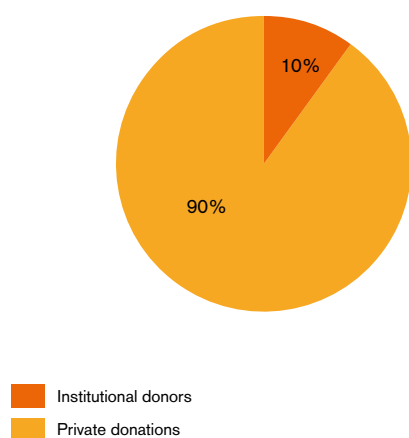
Within the expenditure on emergency aid we aim at a share of about 15% to be spent on the costs for medical, logistical and administrative coordination. In 2015 the portion of coordination costs amounted to 15.9% of the total spent on emergency aid (2014: 15.4%). Coordination costs are made in the countries of our emergency aid and

are an indivisible part of the medical operational management of our projects. Compared to the total expenditure of € 234.7 million in 2015, 13.6% was spent on coordination activities (2014: 12.4%).

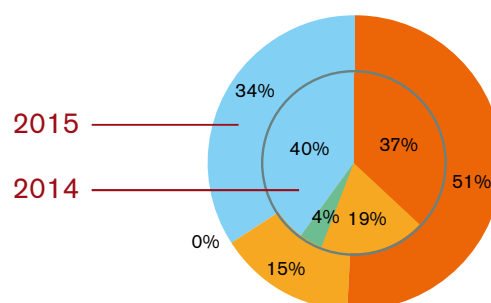
WHO DID WE REACH IN 2015?
as percentage of the expenditure



EMERGENCY AID FUNDING 2015



WHERE DID WE WORK IN 2015?
as percentage of the expenditure



2.2 Emergency aid commissioned through thirdparties

in euro thousands

	2015	Budget 2015	2014
Contribution to Drugs for Neglected Diseases initiative (DNDi) paid through MSF-International	233	239	288
Grant to Dutch Association for Tropical Medicine (NVTG)	45	0	0
Contributions to the MSF-International Fund for Innovative Projects	33	90	36
Grant to MSF-Spain: Various projects	0	0	8,000
Grant to MSF-Belgium: Guinea/Liberia, Ebola emergency response	0	0	500
Grant to Amsterdam Institute for Global Health and Development	0	0	14
Total emergency aid commissioned through thirdparties	311	329	8,838

Grants to thirdparties concern funds transferred for the implementation of direct emergency aid projects or components of emergency aid projects for which reporting requirements have been agreed. Contributions to thirdparties concern general funding of initiatives supporting the association's goals.

2.3 Preparation, coordination and programme support

in euro thousands

	<i>explanatory notes</i>	2015	Budget 2015	2014
Direct costs	<i>note 2.9</i>	1,791	1,369	1,434
Shared costs for joint projects with other MSF sections	<i>note 2.9</i>	1,344	680	471
Costs personnel head office	<i>note 2.9</i>	9,701	9,161	8,299
Attributed overhead costs	<i>note 2.9</i>	2,991	2,960	2,769
Total preparation, coordination and programme support		15,827	14,170	12,973

The increase in the expenditure for preparation, coordination and programme support is explained by the addition of 21 FTE's employed in this category and the increase in the costs of joint projects. Of the total in increase in FTE in this category 5.5 FTE are in temporary improvement projects. Logistics support capacity was increased by 4.5 FTE while other departments increased by 1 to 2 FTE each as was foreseen in setting out the Strategic

Plan ambitions. For more detailed information see note 2.9a as well. Included in Shared costs for joint projects with other MSF-sections are € 779,786 expenditures for the year of the Tuberculosis Breakthrough project which is coordinated from the MSF-UK London office.

2.4 Information and awareness raising in euro thousands

<i>explanatory notes</i>	2015	Budget 2015	2014
Direct costs			
Donor periodical Hulppost (25%; see also chapter 4, Accounting Policies)	261	361	251
Contributions to the MSF-International campaign Access to Essential Medicines	258	236	242
General communications and information activities	1,210	1.483	816
Total direct costs	1,729	2,080	1,309
Attributable costs			
Costs personnel head office <i>note 2.9</i>	718	830	634
Attributed overhead costs <i>note 2.9</i>	222	268	211
Total information and awareness raising	2,669	3,178	2,154

General communications and information activities increased compared to 2014 due to the launch of an integrated social media and television campaign in 2015, while in 2014 no specific awareness raising campaigns

were carried out. The expenditure on the periodical Hulppost was significantly lower than budgeted as the distribution and targeting efficiency remained at the 2014 level.

2.5 Costs own fundraising in euro thousands

<i>explanatory notes</i>	2015	Budget 2015	2014
Direct costs			
Face-to-face fundraising	3,663	3,658	3,498
Donor periodical Hulppost (75%; see also chapter 4, Accounting Policies)	783	1,083	752
Telemarketing activities	710	775	884
Direct mail	548	530	441
Other and general costs of fundraising	236	561	444
Legacies and inheritances	96	159	130
Internet fundraising	85	80	199
Corporate fundraising	46	115	63
Total direct costs	6,167	6,961	6,411
Attributable costs			
Costs personnel head office <i>note 2.9</i>	1,086	1,100	942
Attributed overhead costs <i>note 2.9</i>	334	355	315
Total costs own fundraising	7,587	8,416	7,668

The direct costs of fundraising ended lower than budgeted. Planning changes were made within the different donor recruitment channels, resulting in a lower than planned volume of telemarketing and an increase in direct mail in 2015. Expenditure on the periodical Hulppost was significantly lowered as distribution and cost efficiency were again increased. Planned investments in the donor database were postponed resulting in lower expenditure on Other and general costs of fundraising.

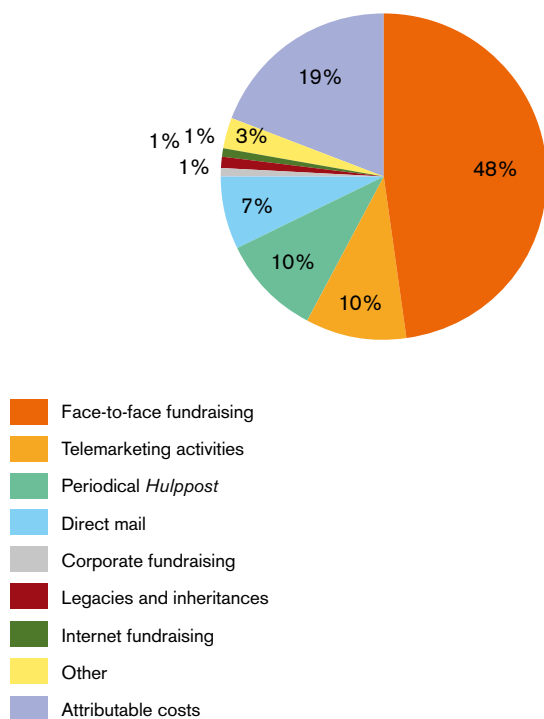
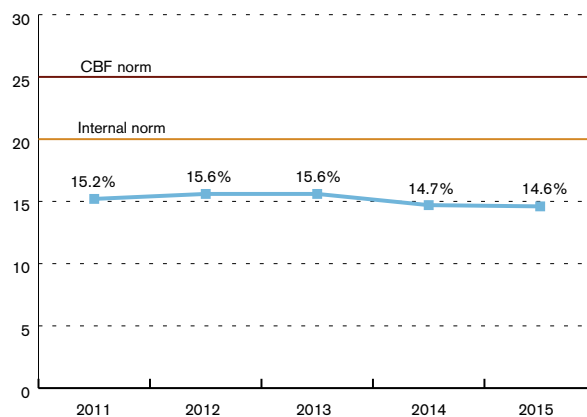
In 2015, 15.8 full-time staff members worked on fundraising activities (2014: 15.0 full-time staff).

Compared to the previous year, total fundraising expenditure decreased to 14.6% of the funds raised. In the period 2013-2015 the fundraising expenditure averaged

15.0% of the funds raised. This leaves us well under the maximum of 25% set by the CBF. MSF-Holland strives to keep the expenditure of its own fundraising under 20% of the income out of own fundraising.

Our fundraising activities are carried out in accordance with relevant codes of conduct. MSF-Holland also has its own code of conduct for fundraising and keeps a complaints register for donors. Both are included in the fundraising policy as endorsed by the Board.

The composition of the fundraising expenditure is shown below. The composition of the income in note 2.10 is presented in the same categories as the expenditure to allow for a better comparison of costs versus income.

FUNDRAISING EXPENSES 2015
 as percentage of total expenditure own fundraising

COST OF OWN FUNDRAISING
 as percentage of total income own fundraising


2.6 Costs thirdparty fundraising activities in euro thousands

<i>explanatory notes</i>	2015	Budget 2015	2014
Direct costs			
Joint information activities in television broadcasts of the National Postcode Lottery	225	257	278
Communication and facilities costs Tour for Life	0	0	455
Other	5	5	5
Total direct costs	230	262	738
Attributable costs			
Costs personnel head office <i>note 2.9</i>	69	71	63
Attributed overhead costs <i>note 2.9</i>	21	23	21
Total costs thirdparty fundraising activities	320	356	822

In 2015 1 full time equivalent was allocated to thirdparty fundraising activities

2.7 Costs acquisition grants institutional donors

in euro thousands

	<i>explanatory notes</i>	2015	Budget 2015	2014
Direct costs	<i>note 2.9</i>	10	10	8
Costs head office personnel	<i>note 2.9</i>	141	144	112
Attributed overhead costs	<i>note 2.9</i>	44	47	37
Total costs acquisition grants institutional donors		195	201	157

The expenditure on acquiring grants from institutional donors particularly concerns the head office costs for submitting requests for grants and for reports justifying the expenditures. The costs of acquiring government grants are included here when incurred at head office.

The costs incurred in project countries are included in the coordination costs of emergency aid. The income from institutional donor grants decreased as planned by € 7.4 million to € 20.5 million in 2015.

2.8 Management and administration

in euro thousands

	<i>explanatory notes</i>	2015	Budget 2015	2014
Direct costs	<i>note 2.9</i>	1,698	1,459	1,048
Contributions to the MSF-International office	<i>chapter 6</i>	664	846	703
Costs personnel head office	<i>note 2.9</i>	2,128	2,484	2,098
Attributed overhead costs	<i>note 2.9</i>	656	803	700
Total management and administration		5,146	5,592	4,549

The costs of management and administration amounted to 2.2% of the total expenditures in 2015 (2014: 2.3%) and are explained in more detail in note 2.9. The increase in the direct costs of Management and administration can be

explained by the starting of various improvement projects in 2015. A table showing the composition of the direct costs of management and administration can be found in chapter 4 Accounting Policies.

2.9 Total expenditure: specification of cost allocation and personnel costs

in euro thousands

The total of all costs and the cost allocations over the eight principal expenditure destinations reported upon plus the category Overhead are explained on the following pages. In the table on the next page the overhead costs are also specified as a separate expenditure destination: To be attributed overhead. The total costs of the expenditure destinations include the direct costs of the destination, the allocated personnel costs and the attributed overhead costs. First the costs of head office employees are allocated to the eight expenditure destinations and to the category Overhead in proportion of the number of fulltime equivalents

(FTE) employed at head office in those destinations and in the activities included in the category Overhead.

Thereafter the total overhead costs are attributed, again according to the proportion of FTE. The principles and policies applied to the allocation of costs per destination are explained further in chapter 4, Accounting Policies.

The costs of overhead increased from € 4.1 million in 2014 to € 4.3 million in 2015. This increase can be explained by the higher costs of housing.

The total of all costs and the breakdown of the costs is as follows:

Expenditure destination	Spent on Association goals				Fundraising							
	Emergency aid	Commissioned to third- parties	Preparation, coordination & programme support	Information and awareness-raising	Own fundraising	Fundraising by thirdparties	Acquiring government grants	Management and administration	To be attributed Overhead	Total 2015	Budget 2015	Total 2014
Direct costs emergency aid	200,587									200,587	179,000	161,298
Emergency aid grants										0	0	8,514
Shared costs for joint projects with other MSF sections			1,344							1,344	680	471
Contributions		311		258				664		1,233	1,411	1,269
Publicity and communications				1,034	5,339	225				6,598	7,122	6,980
Housing costs									1,119	1,119	1,097	930
Office and general costs			474	384	749			804	1,541	3,952	4,087	3,240
Stock costs			507							507	391	404
Travel and accommodation			706	53	79	5	10	155	92	1,100	1,037	997
Advice costs			104					677	39	820	770	723
Costs Board and Association								62		62	64	74
Depreciation and interest	147								213	360	445	271
	200,734	311	3,135	1,729	6,167	230	10	2,362	3,004	217,682	196,104	185,171
Allocated employee costs for head office personnel												
Salaries and social security			7,916	586	886	56	115	1,737	1,032	12,328	12,691	11,071
Pension contributions			976	72	109	7	14	214	127	1,519	1,510	1,443
Other personnel costs			809	60	91	6	12	177	105	1,260	937	774
Subtotal all costs	200,734	311	12,836	2,447	7,253	299	151	4,490	4,268	232,789	211,242	198,459
Allocation of overhead costs			2,991	222	334	21	44	656	-4,268			
Total all costs head office and emergency aid projects	200,734	311	15,827	2,669	7,587	320	195	5,146	0	232,789	211,242	198,459
Contributions to MSF-India										1,954	1,600	1,436
Total all costs										234,743	212,842	199,895

2.9a Personnel head office in full time equivalents

In 2015 we employed 8,616 full time staff (2014: 8,485 full time staff) working in emergency aid projects and at the head office. Personnel posted in emergency aid projects are charged directly to the emergency aid expenditures. The associated personnel costs and other personnel information are explained in note 2.1. In this note 2.9 Personnel at head office is explained.

In 2015 the total number of designated FTE employed in the head office increased by 11% to 226. This increase occurred mostly in Preparation and coordination to which 21 FTE were added. The increased volume of emergency

aid projects has lead to an FTE increase in all departments directly supporting our emergency aid projects. Two new departments were created in 2015. The Learning and Development department was set up to analyse and respond in a better way to the learning needs of our staff in our aid projects and at head office. The Programme Management Office (PMO) will lead and support major transformational and investment projects. In the coming years a number of these projects are planned (see Annex A1.3 Investments).

Personnel head office	2015	Budget 2015	2014
Preparation, coordination and programme support	153	145	132
Information and awareness raising	10	10	10
Fundraising	16	15	15
Thirdparty appeals and Institutional fundraising	3	3	3
Management and administration	31	34	33
Overhead	18	14	18
Preparation and coordination staff charged from London and Berlin Offices	6	7	4
Emergency aid - (Amsterdam) office staff seconded to project countries	-11	-18	-12
Total personnel head office	226	210	203
Volunteers working at the head office in Amsterdam (# persons)	25	24	33
Volunteers working at the head office in Amsterdam (FTE)	3	2	4
Gender: women - men	58% - 42%	n/a	58% - 42%
Nationality: Dutch - other	61% - 39%	n/a	63% - 37%
Average age	42	n/a	43
Employment: fulltime - part-time	52% - 48%	n/a	51% - 49%
Sickness rates	2.6%	< 3.0%	2.2%

2.9b Remuneration, social security and personnel costs head office

Remuneration policy

Our remuneration policy for the Amsterdam head office personnel is benchmarked with the remuneration of the public sector and the not-for profit sector in the Netherlands combined. The remuneration reference is the 1st quartile, implying that 75% of staff with a comparable position in the reference sector earn more than staff employed with MSF-Holland. Scaling of employees is based on a function grid. The function-remuneration grid applied by MSF-Holland has 12 scales and features a decreasing growth for management positions, including the management team.

Personnel cost head office staff

Under the header Costs to be divided for head office personnel, the item Salaries and social security of head office personnel exclusively consists of the gross salaries, taxed reimbursement of expenses and associated social security costs in 2015, € 1,742,667 (2014: € 1,576,782). The total personnel costs per full time position decreased slightly from € 63,008 in 2014 to € 62,817 in 2015. The cost of recruitment and development of head office personnel, canteen costs and the costs of temporary and

free-lance staff are included in the item Other personnel costs. In 2015 the item Other personnel costs increased by € 485,605 mainly due to an increase of temporary and free-lance staff to replace staff on long term leave and temporarily fill vacancies.

Pension contributions

As of 1 January 2013 a pension scheme for all head office employees was entered into with the Premium Pension Institution Brand New Day and to which the provisions of the Dutch Pension Act apply. The pension scheme is based on the 3% rate (staffel) model. The pension premium is fully paid by MSF-Holland to the statutory maximum of 1.75% savings and is calculated over 12x the monthly salary plus the holiday allowance. The pension premium is calculated using the minimum allowable deductible for both the retirement and the survivors pension scheme. MSF-Holland does not pay any pension premium above the fiscal maximum. Included in the pension scheme is a survivors pension insurance that is indexed at 2%. Pension premiums are recognised in personnel costs when they are due.

2.9c Employment and remuneration of the Directors

in euro thousands

MSF-Holland applies the Advisory Scheme for the Remuneration of Directors of Dutch charity branch organisation Goede Doelen Nederland. The Advisory Scheme sets criteria for determining the level of responsibility required for executive positions and sets maximum annual income standards. The Board has assessed the remuneration of the General Director and the Management Team based on the criteria described in the Advisory Scheme, arriving at a total of 570 points out of the total possible of 600. In the management model of MSF-Holland the General Director is rated at 92% (524 points) while each member of the Management Team is rated 80% (456 points). On the basis of full-time employment these ratings correspond to € 140,046 and € 124,233 maximum salaries according to the Advisory Scheme applicable for 2015. According to the scheme, pension and employer's

costs are not included in these salary figures. The function-remuneration grid of MSF-Holland results in directors' salaries under the maximum allowable in the scheme. MSF-Holland does not pay any pension premium above the fiscal maximum of € 100,000 (2015).

MSF-Holland has a titular general director who chairs the multi-member management team. In 2015 this position was occupied by Arjan Hehenkamp. In 2015 1 FTE was used for the position of General Director (2014: 1 FTE). The General Director is supported by a management team of 4 directors. In 2015 a total of € 641,225 was spent on Directors' remuneration (see table below) for 5.0 FTE. In 2014 this was € 628,070 for 4.98 FTE. In the table below the employment contract and the remuneration of the General Director and the management team are specified.

	General Director	Management Team			
	Arjan Hehenkamp	Marcel Langenbach	Els Niehaus	Sidney Wong	Katrien Coppens
Function		Director Operations	Director Resources	Medical Director	Delegate Director
Employment details					
Type of contract	indefinite	indefinite	definite	definite	indefinite
Hours	40	40	40	40	40
Labour percentage	100%	100%	100%	100%	100%
Employment period in 2015	01/01-31/12	01/01 - 31/12	01/01-31/12	01/01-31/12	01/01- 31/12
Remuneration					
Gross per year excluding holiday allowance	102	101	98	101	79
Holiday allowance	8	8	8	6	6
Other taxable allowances	0	0	0	0	0
Variable income	0	0	0	0	0
Subtotal (salary according to advisory scheme)	110	109	106	107	85
Other costs					
Pension contributions	17	20	17	9	16
Pension compensation	0	0	0	0	0
Social security costs	9	9	9	9	9
Taxable disbursements	0	0	0	0	0
Other (future) benefits	0	0	0	0	0
Severance pay	0	0	0	0	0
Total salary costs Directors 2015	136	138	132	125	110

The MSF-Holland policy applying to all directors positions is that the director is appointed to his or her position for a period of three years, with the possibility of a maximum three years extension. Expatriate tax regulations have been applied to the salary of the Medical Director Sidney Wong. No loans or guarantees and no advance payments were provided to any of the directors.

The Delegate Director, Katrien Coppens, is a board member of MSF-Hong Kong Limited and the Executive Director of the MSF-Holland India Trust, New Delhi, India. Both occupations were for the full year 2015 and both were not remunerated.

2.9d Board costs and expenses paid to board members

in euro thousands

The Board of the Association MSF-Holland supervises the organizational policies as carried out by the General Director who has been appointed by the Board. With the exception of the president the Board members receive no remuneration for their supervisory function. The General

Assembly is the highest supervisory body of the Association and is held once per year at a minimum.

The Board and Association costs shown here concern the costs made by the Board for:

	2015	Budget 2015	2014
Costs carrying out supervisory responsibilities	53	40	30
Costs of the Association and General Assembly	34	40	48
Costs of International representation within the MSF-network	17	21	19
Remuneration President Wilna van Aartsen	15	15	15
Volunteer allowance board members	7	7	6
Total Board costs and expenses paid to board members	126	123	118

For the time spent in fulfilling the duties concerned with international governance the president, Wilna van Aartsen, received an amount of € 15,000 (2014: € 15,000) in compensation. The time spent on these specific governance activities is comparable to 0.47 FTE (2014: 0.32 FTE). The remuneration paid is in accordance with the maximum remuneration approved by the General Assembly. In total the president spent in 2015 at least 1,650 hours (2014: 1,194 hours) on fulfilling her board duties.

In 2015 the president started a master classes program Strategy, Innovation and Governance at the TIAS School for Business and Society. The costs of this program (€ 21,500) are included in the category Costs carrying out supervisory responsibilities.

In 2015, 9 board members (2014: 8 board members) made use of the expense policy allowing board members to apply for a volunteer allowance of € 100 per month with a maximum of € 1,000 a year to cover small expenses. In 2015 a total amount of € 7,000 (2014: € 5,500) was paid as volunteer allowance to these board members. No loans or guarantees and no advance payments were provided to any of the board members.

As at December 31, 2015 the Board of the Association MSF-Holland had 10 board members (2014: 10). The minimum number of board members required according to the statutes of the Association is 7.

2.9e Auditors costs in euro thousands

Due to a decrease in institutional donor grants and an increase in institutional donors agreeing to accept the statutory independent auditor's report for their assurance the number of contracts of institutional donors which required grant audited reports decreased further from 8 contracts in 2014 to 3 contracts in 2015. As a result the

auditors had to shift their audit test work and therefore a shift in costs is visible. The overall growth of the emergency expenditure also contributes to an increase in total auditors costs. In 2015 no specific audits were performed. In 2015 PricewaterhouseCoopers Accountants N.V. (PwC) were our auditors.

The following fees were paid to auditors:

Allocated to:		2015	Budget 2015	2014
PwC audit of the Financial Statements	Advice - head office	130	106	112
PwC audit contracts institutional donors	General and running costs	16	20	43
PwC forensic audit	Advice - head office	0	0	53
Total Auditors costs		146	126	208

INCOME

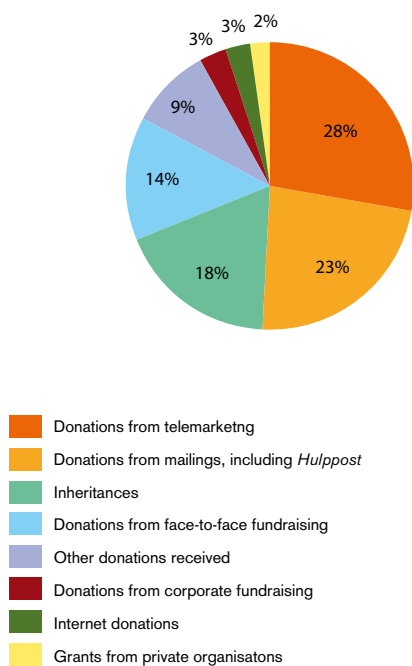
The income from own fundraising decreased slightly by € 0.3 million from € 52.2 million in 2014 to € 51.9 million in 2015. The cost of raising funds in the Netherlands remained stable at € 7.6 million. In these Financial

Statements the composition of the income is presented in the same categories as the related expenses to allow for a better comparison of costs versus income. See also note 2.5.

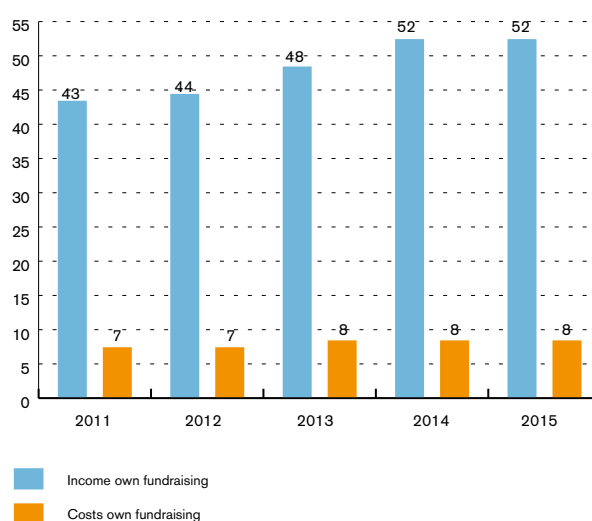
2.10 Income from own fundraising in euro thousands

	<i>explanatory notes</i>	2015	Budget 2015	2014
Donations from telemarketing		14,390	14,554	13,488
Donations from mailings, including Hulppost		11,734	10,113	12,188
Inheritances		9,313	10,000	11,185
Donations from face-to-face fundraising		7,470	8,163	6,957
Other donations received		4,451	1,510	3,998
Donations from corporate fundraising		1,597	1,515	2,125
Internet donations		1,540	1,598	1,930
Grants from private organisations	<i>note 2.10 b</i>	1,317	1,047	320
Contributions from Association members		7	4	1
Total income from own fundraising		51,819	48,504	52,192

INCOME FROM OWN FUNDRAISING IN 2015
in percentage of total income from own fundraising



INCOME AND COSTS FROM FUNDRAISING
in euro millions



Private donors

In 2015 the number of one time spontaneous donations decreased. In 2013 and 2014, many more one time donations were received due to emergency responses after the typhoon in the Philippines in 2013 and Ebola in West-Africa in 2014. The attrition rates continued to

decrease noticeably. The continuing high visibility of our medical emergency operations likely contributed to that trend. Consistently the number of private donors with a direct debit mandate increased again in 2015.

	2015	2014	2013	2012	2011
Number of different private donors giving in the year	447,685	467,074	463,789	451,007	460,491
Private donors recruited in the year	43,600	60,612	51,995	40,847	42,892
Active cancellations	2,818	2,079	2,124	4,788	2,375
Donors with a direct debit mandate	311,807	309,197	304,118	304,170	313,596

2.10a Earmarked income from own fundraising in euro thousands

(see also note 3.9d; the appropriated funds)

The earmarked income from own fundraising is specified as follows	Receipts in 2015	Expenditures in 2015	Not spent in 2015
Donations and gifts for Sierra Leone	514	-514	0
Donations and gifts for Nepal	396	-396	0
Donations and gifts for India	322	-322	0
Donations and gifts for Jordan	276	-276	0
Donations and gifts for Mediterranean Sea	220	-220	0
Donations and gifts for DR Congo	152	-152	0
Donations and gifts for South Sudan	104	-104	0
Donations and gifts for Syria	94	-94	0
Donations and gifts for India	76	-76	0
Donations and gifts for Myanmar	28	-28	0
Donations and gifts for Central African Republic	27	-27	0
Donations and gifts for Pakistan	25	-25	0
Donations and gifts for Tajikistan	20	-20	0
Donations and gifts for Ethiopia	14	-14	0
Donations and gifts for Yemen	13	-13	0
Donations and gifts for Iraq	11	-11	0
Donations and gifts for Haiti	10	-10	0
Donations and gifts for Uzbekistan	10	-10	0
Donations and gifts for various countries	8	-8	0
Subtotal Earmarked gifts and donations	2,320	-2,320	0
Donations for endowment funds	20	0	20
Balance as at 31 December to appropriated funds	2,340	-2,320	20

The earmarked income for Sierra Leone, India, Jordan, DR Congo, South Sudan, Central African Republic, Pakistan

and Tajikistan include grants from private organisations for an amount of € 1,192,162.

2.10b Grants from private organisations in euro thousands

Organisation	Allocation	2015	2014
Other private organisations	Various countries	995	320
MAC Foundation USA	India	322	0
Total grants from private organisations		1,317	320

2.11 Income from thirdparty fundraising activities in euro thousands

	2015	Budget 2015	2014
Proceeds National Postcode Lottery , regular draw	13,500	13,500	13,500
Proceeds National Postcode Lottery , extra draw	5,000	5,000	0
Proceeds National Postcode Lottery Dream Fund	1,662	2,200	527
	20,162	20,700	14,027
Proceeds Tour for Life received from Emo Foundation	0	0	911
Total income from thirdparty fundraising activities	20,162	20,700	14,938

In 2015 MSF-Holland received a contribution of € 13.5 million from the regular draw of the **National Postcode Lottery**. This is the maximum possible annual contribution to MSF-Holland according to the contract. In addition MSF-Holland was awarded an extraordinary contribution of € 5.0 million. The contract with the **National Postcode Lottery** is valid for five years and runs until 31 December 2017. The **National Postcode Lottery Dream Fund** awarded MSF-Holland a contribution of € 6,791,000 as funding for the Tuberculosis breakthrough project in the period 2013-2017. The income recognised in the Statement of Expenditure and Income is

equal to the maximum eligible costs as incurred in the book year (see Chapter 4, Accounting Policies). In total € 2,443,786 of the contribution was spent over the period 2013-2015. The outstanding funds are specified in Chapter 3, paragraph 3.10 Long-term liabilities and 3.11 Short-term liabilities.

Based on careful consideration of the costs and benefits we decided not to continue with the Tour for Life after the event of 2014.

2.12 Grants from within the MSF-network in euro thousands

	2015	Budget 2015	2014
MSF-Germany	58,689	54,000	47,162
MSF-United Kingdom	32,683	26,300	18,015
MSF-USA	28,789	24,680	20,559
MSF-Canada	17,139	13,500	11,132
MSF-Hong Kong	10,458	6,400	6,455
MSF-Sweden	7,905	8,200	7,291
MSF-Austria	5,898	4,700	5,325
MSF-Ireland	885	0	912
MSF-Denmark	215	0	0
MSF-Czech	4	0	0
MSF-Brazil	3	0	0
MSF-Italy	2	0	0
MSF-Norway	1	0	0
MSF-Greece	1	0	0
MSF-International	0	0	15
Total grants from the MSF-network	162,672	137,780	116,866

The income from grants from within the MSF-network increased and ended € 45.8 million higher than in 2014. In most MSF-sections the private income from own fundraising was much higher than expected leading to

higher grants. Part of the increase in grants from MSF-USA, MSF-UK and MSF-Hong Kong can further be explained by improved exchange rates between the moment of budgeting and the moment of receipt of the grants.

2.13 Grants from institutional donors in euro thousands

	2015	Budget 2015	2014
European Union (ECHO and EU)	7,380	12,000	12,393
Dutch government (BUZA)	5,000	5,000	1,500
Global Fund (GFATM)	3,469	3,500	3,226
Canadian government (DFATD, IHA)	1,324	2,000	2,813
Irish government (Irish Aid)	1,222	500	1,047
Danish government (DANIDA)	879	1,000	1,713
Swedish government (Sida)	792	2,000	2,875
UNITAID	411	0	0
Norwegian government (NORAD, NRMFA)	0	500	1,178
German government (AA)	0	500	800
Swiss government (SDC)	0	0	327
Total grants from institutional donors	20,477	27,000	27,872

The project grants from institutional donors refer to the realised portion of the grants awarded that concern activities carried out in the financial year. During the year we decreased the target of grants from institutional donors funding our operations expenditure from 17% to 10%. This resulted in a planned decrease of institutional donor funding

by € 7.4 million to € 20.5 million. In the coming years we intend to stabilise the institutional donor fundraising around this amount, reducing its relative share in income. The grants from institutional donors are all used to cover operating expenses.

2.14 Interest income and other income in euro thousands

	2015	Budget 2015	2014
Interest income	918	1,000	1,058
Other income	328	0	146
Total interest income and other income	1,246	1,000	1,204

In 2015 the average balance on the deposit accounts was higher than in 2014. Interest rates continued to decrease during the year leading to a lower amount of interest received in 2015. The development of the amount of

interest received over the past 5 years is shown in note 5.2.

2.15 Exchange rate results in euro thousands

	2015	Budget 2015	2014
Realised exchange results from transactions in non-euro currencies	-1,247	0	108
Unrealised exchange results from transactions in non-euro currencies	1,084	0	1,561
Total exchange rate results	-163	0	1,669

The unrealised exchange results concern the value dating of the foreign currency bank balances, the contract obligations, still to be received monies from institutional donors and MSF-sections and accounts payable and receivable balances held in non-euro currency. In 2015 a

positive realised exchange rate result was recognised on purchasing of goods and the receivables from grant contracts. It is MSF-Holland policy not to make use of financial instruments to control currency risk on various foreign currencies.

2.16 Donations in kind in euro

In addition to receiving financial support, MSF-Holland also receives donations in kind and enters into contracts which do not involve payment but goods in kind. In particular, these donations in kind concern the delivery of medicines and food and are accepted in project countries to support MSF-Holland's nutrition and health programs. These donations in kind are not registered in the bookkeeping and are also not recognised in the result as the reliability of the current registration systems is too limited. It is expected that from the reporting year 2017 donations in kind registration can be fully integrated in the statement of expenditure and income.

Donations in kind for projects

MSF-Holland registers the use of goods made available by third parties if these are of vital importance in executing aid projects and if these would be purchased if they were not made available to the organisation. The best estimate total value of these goods received was € 598,103 in 2015 (2014: € 1,804,969). The main changes occurred in Swaziland where we received no donations in kind in 2015 (2014: € 508,714), in South Sudan where we received considerably fewer donations for Food and Nutrition items from Unicef, and in Myanmar where we received fewer Food and Nutrition items from the WFP (World Food Program).

DONATIONS IN KIND PER DONOR AND PER CATEGORY

	Medicines	Medical material & equipment	Food & nutrition	Laboratory material & equipment	Vaccines & vaccination material	Water & sanitation material	Relief items / Other	Flights	Total 2015
Ministries of Health	115,305	231	159,000	6,843	946	-	-	-	282,325
United Nations (UNFPA/UNHCR/WHO)	-	-	44,100	-	-	-	55,417	-	99,517
National TB Program Myanmar (NAP)	73,606	133	-	-	-	-	-	-	73,739
United Nations (WFP)	-	-	54,992	-	-	-	-	-	54,992
United Nations (UNICEF)	14,844	-	12,413	2,877	-	-	-	-	30,134
European Union (ECHO)	-	-	-	-	-	-	-	21,750	21,750
African Humanitarian Aid and Development Agency (AHADA)	-	-	20,400	-	-	-	200	-	20,600
Other	14,904	24	38	79	-	-	-	-	15,045
Total donations in kind	218,659	388	290,943	9,799	946	-	55,617	21,750	598,102

DONATIONS IN KIND PER PROJECT COUNTRY**Total 2015**

Ethiopia	359,932
Myanmar	141,245
Iraq	55,417
DR Congo - Katanga	21,750
South Sudan	18,895
Chad	754
Bangladesh	85
DR Congo - North Kivu	24
Total donations in kind	598,102

Donations in kind head office

In 2015 we received no donations in kind for the head office.

Notes to the Balance Sheet



‘The US attack on the hospital in Kunduz resulted in the single greatest loss of life caused by an attack from the air in our organisation’s history. Tens of thousands of people in Kunduz can now no longer rely on medical care when it is most needed. This is why we say: enough is enough. Even war has rules’

JOANNE LIU

International President of MSF, October 2015.

Continuing from previous years, MSF-Holland maintained a durable financial position in 2015. The expenditures on emergency aid operations and the income increased proportionally and significantly, allowing the financial position to develop in line with the overall growth of the operational expenditure and commitments.

The overall balance position increased by € 37.2 million to € 215.0 million. The total cash position increased mainly due to the increasing income balances that are not yet spent. Receivables increased because of the acquisition of longer-term institutional donor grants.

Operating assets and inventories held for emergency aid increased compared to the previous year. In accordance with the ambitions set out in our Strategic Plan 2015-2019 an increase in investments in operating assets that are used for the objectives of the association has been initiated and is further anticipated for in the forward planning. Inventories are increasing as we are adjusting the approach we take towards supplying our emergency aid projects.

Overall reserves and funds increased through the allocation of the positive result of € 21.5 million. The Board decided to increase the continuity reserves by € 20.0 million in accordance with the reserves policy. After the additions to the continuity and appropriation reserves, and the appropriated funds, the remainder of the result was withdrawn from the free reserves. Liabilities on the short and long term developed in line with the growth of the operational volume while no significant provisions, constructive obligations or contingent liabilities were considered by the Board.

3.1 Tangible fixed assets

3.1a Operating assets in euro thousands

	Leasehold improvements	Furniture and fixtures	Hardware/software	Total
Purchase value				
Balance as at 1 January 2015	175	499	3,719	4,393
Purchases	0	45	533	578
Disinvestments	0	0	-356	-356
Balance as at 31 December 2015	175	544	3,896	4,615
Depreciation				
Balance as at 1 January 2015	175	499	1,490	2,164
Depreciation	0	45	358	403
Disinvestments	0	0	-356	-356
Balance as at 31 December 2015	175	544	1,492	2,211
Balance sheet value as at 31 December 2015	0	0	2,404	2,404

The purchase of hardware/software concerns investments in the replacement of the desktops in the Amsterdam office and the development of budgeting software for our project locations. The development of logistical and financial software as part of an international MSF-project was completed in 2015. The deployment of this software in our projects started in 2015 and will continue in 2016 and 2017. Depreciation of this software started also in 2015.

The disinvestments mainly concern computer servers that were decommissioned in 2015.

The entire operating assets are used for the realization of the association goals. In 2015 no impairment has been applied.

3.1b Real estate in euro thousands

	2015	2014
Property and buildings Vierhouten	450	450
Estimate sales value as at 31 December	450	450

In 2010 MSF-Holland acquired real estate for own use in Vierhouten from an inheritance. The inheritance stipulates that the property and buildings must be used to support the operational goals of MSF-Holland. The costs and risks associated with the property are the responsibility of MSF-Holland for a period of at least ten years.

3.2 Financial Assets in euro thousands

	2015	2014
Government bonds Zimbabwe	86	0
Redemption value as at 31 December	86	0

In October 2007 the government of Zimbabwe seized the bank balances held in euro and USD at the Barclays Bank in Zimbabwe. A unilateral decision of the Zimbabwean government has been enacted to convert the acknowledged debt in USD denominated Treasury Bills. As there is no active market for these bonds they qualify as loans and receivables which are in principle held to maturity.

The redemption values of the bonds are USD 89,746 and USD 3,779. As of January 2016 the offered interest rate on the bonds is 5% annual. According to the Treasury Bills' issuing letters the bonds will mature in 3 equal allotments: 10 April 2017, 10 April 2018 and 10 April 2019. The realizable value of the bonds is estimated to be equal to the redemption value.

3.3 Inventory in euro thousands

	2015	2014
Medical materials	5,074	3,561
Other materials	1,927	819
Transport equipment	949	786
Inventory as at 31 December	7,950	5,166
Value adjustment for obsolescence	-215	-96
Net realisable value as at 31 December	7,735	5,070

Inventory held in transit in the Netherlands

Included in this item on the Balance Sheet are stocks for emergency aid that are kept in transit in the Netherlands (see also chapter 4, Accounting Policies). The value of the inventory in transit in the warehouse in the Netherlands as at 31 December 2015 amounts to € 3,013,171 (2014: € 1,708,190). The other stocks at the warehouse have not yet been allocated to aid projects and concern free stocks and emergency supply stocks. The item Other materials consists mainly of emergency housing materials (tents, tools, etc.) and water and sanitation equipment for the projects.

In 2015, as in previous years, a downward value adjustment has been made for obsolescence. The estimate for the value adjustment is based on expiry dates and expected

turnover of items held in stock as at 31 December. Stock loss may also occur during the year on new items procured. In 2015 the actual write-off on inventory was € 19,825.

Inventory held in emergency projects

In accordance with our accounting policies inventory held in our emergency projects is fully expensed at the time it is shipped to the project countries. For internal supply management accountability the estimated value of those inventories is recorded. At the end of 2015 a reported value of € 18,649,975 (2014: € 17,351,173) of medical supplies was held available for immediate use in our emergency aid projects or on international transport.

3.4 Grants receivable from within the Médecins Sans Frontières network in euro thousands

The receivables from MSF-sections throughout the year developed as follows:	2015	2014
Balance as at 1 January	8,130	13,012
Project grants awarded	162,562	116,962
Project grants received	-162,712	-121,694
Exchange gains/losses on grants received	-1,130	-395
Unspent project grants	0	0
End of year revaluation of outstanding contract amounts	-153	245
Balance as at 31 December	6,697	8,130

The remaining receivables concern project grant contracts which ended in 2015. All the receivables are short-term and are expected to be received in the first quarter of 2016.

The receivables from MSF-sections decreased as more grants agreed for the year were fully paid in 2015.

3.5 Grants receivable from institutional donors in euro thousands

Receivables from institutional donors comprise receivables from both awarded project grants still running and those that have already ended.

Developments of these in the financial year were as follows:	2015	2014
Balance as at 1 January	7,269	10,811
Project grants awarded	32,758	25,951
Project grants received	-19,430	-29,811
Exchange gains/losses on grants received	482	-208
Unspent project grants	-2	-63
End of year revaluation of outstanding contract amounts	692	589
Balance as at 31 December	21,769	7,269
The receivables are as follows:		
Receivables from project grant contracts ended in the reporting year	1,780	5,828
Receivables from project grant contracts running into next reporting year	13,737	1,441
Receivables from project grant contracts running after the next reporting year	6,252	0
Balance as at 31 December	21,769	7,269

The receivables from institutional donors increased as in 2015 multi-year grants were awarded for projects running into 2016 and beyond. The long-term receivables are

counter balanced by the long-term Budgetary commitments as specified in note 3.10

3.6 Receivables from inheritances in euro thousands

	2015	2014
Receivables from inheritances	8,209	10,308
Balance as at 31 December	8,209	10,308

Receivables from inheritances represents the valuation of the inheritances received for which settlement is in progress. As at December 31 receivables from inheritances include 24 properties (2014: 48 properties) that are held for sale.

As at December 31 we held 12 inheritances encumbered with usufruct that are not included in the receivables from inheritances.

3.7 Other receivables and accrued income in euro thousands

	2015	2014
Prepayments and accrued income	3,580	2,553
Other receivables from MSF-sections	1,089	1,204
Taxes and social security contributions to be received	132	137
Debtors	41	3
Balance as at 31 December	4,842	3,897

All other receivables and accrued income are short-term. All amounts receivable concern the normal course of operations. The item Prepayments and accrued income mainly increased due to higher balances on guarantee

deposits and prepayments to suppliers in our emergency aid projects. As in 2014, in 2015 no allowance for uncollectable receivables was needed.

3.8 Cash at bank and in hand in euro thousands

	2015	2014
Balance of cash at bank and in hand at head office	18,966	17,704
Balance of cash at bank and in hand at projects	7,193	8,836
Balance of savings accounts at head office	136,613	113,875
Balance as at 31 December	162,772	140,415

The savings accounts held at head office are funds immediately available and maximum 12-months' term deposits. Savings accounts are held in euro at the ABN AMRO (69%), Rabobank (11%), ING (9%), Van Lanschot (7%) and ASN Bank (4%). The savings accounts held at

Van Lanschot concern two 12-months' term deposits of € 5,000,000 each. MSF-Holland holds its main operating cash management accounts at ABN AMRO and one at ING (NL13INGB0000004054) which is used for public fundraising. See also Chapter 5, Financial Risks.

3.9 Reserves and funds in euro thousands

	Continuity reserves	Appropriation reserves	Other free reserves	Appropriated funds	Total 2015	Total 2014
Balance as at 1 January	95,000	7,749	44,412	146	147,307	132,461
Allocation of the result	20,000	2,840	-1,378	8	21,470	14,846
Balance as at 31 December	115,000	10,589	43,034	154	168,777	147,307

3.9a Continuity reserves in euro thousands

In accordance with the CBF regulation, article 4 paragraph 2g, continuity reserves may be formed to a maximum of 1.5 times the yearly costs of the operational activities. Our costs of operational activities are the direct emergency aid expenses including the related supporting activities and the costs of fundraising. Depreciation costs, contributions and one-off items are not included. Payable grants to third parties are short term liabilities and are also not included. The amount of the continuity reserves needed for MSF-Holland has been set at the average amount of expenditures needed to ensure the unimpeded progress of medical care in our projects and the related supporting activities for a six-months' period. We calculate the average amount over the total expenditure of the past two years 2014 and 2015 plus the budget for the coming year 2016.

In accordance with the CBF guidelines, article 4 paragraph 2g, the continuity reserves are further based on our risk management and a quantification and statistical analysis of the possible financial impact if adverse events would occur. In 2015 the risk based buffer capital provision included in the continuity reserves has been reviewed and calculated at € 65.0 million (2014: € 65.0 million). The buffer capital included in the continuity reserves determines the lower level of the total of reserves.

In 2015 the Board allocated € 20.0 million to the continuity reserves from the result.

The extent of the continuity reserve is calculated as follows:	Expenditure 2014	Expenditure 2015	Budget 2016	6-month average
Total expenditure	199,895	234,743	283,425	119,677
Deduct:				
Depreciation costs	271	360	445	179
Contributions	1,269	1,233	1,443	658
Emergency grants	8,514	0	0	1,419
Target continuity reserves (6 months) as at 31 December	189,841	233,150	281,537	117,421
Actual continuity reserves as at 31 December				115,000
Buffer capital included in the continuity reserves				65,000

At the end of 2015, 97% of the total of the reserves held were retained in cash at hand and in bank (2014: 95%). See also Chapter 5, Financial Risks.

3.9b Appropriation reserves in euro thousands

The entire appropriation reserves are designated by the Board as reserves to fund the tangible fixed assets and inventory and are as follows:

	Tangible fixed assets	Inventory	Total 2015
Balance as at 1 January	2,679	5,070	7,749
Allocation of the result	175	2,665	2,840
Balance as at 31 December	2,854	7,735	10,589

With the additional funding of investments and inventory needed the appropriation reserves increased in 2015.

3.9c Other free reserves in euro thousands

Through the allocation of the 2015 result an amount of € 1,378,445 million was withdrawn from the other free reserves and added to the appropriation reserves. In 2016 and 2017 further allocations from the free reserves to the

appropriation reserves are expected in line with our investment planning (see Annex 1, Forward Statement as well).

3.9d Appropriated funds in euro thousands

The appropriated funds contain donations that have been earmarked by donors for a specific purpose and which have not yet been spent. Note 2.10a gives an indication of the

volume of earmarked monies that are received and spent during the year.

The balance of the appropriated funds is calculated as follows:	Unused at year end	Receipts	Withdrawals	Unused at year
	2014	in 2015	in 2015	end 2015
Earmarked income from own fundraising:				
Donations and gifts for various countries	0	1,128	-1,128	0
Grants of private foundations for various countries	0	1,192	-1,192	0
Earmarked endowment fund	60	20	0	80
Subtotal (see also note 2.10 a)	60	2,340	-2,320	80
Earmarked from inheritance property Vierhouten	86	1	-13	74
Balance as at 31 December	146	2,341	-2,333	154

The earmarked funds from inheritance concern the maintenance and use of the property in Vierhouten.

In 2017 and after the endowment fund has reached a total of € 100,000, the fund will be spent on building a hospital facility.

3.10 Long-term liabilities in euro thousands

	2015	2014
Long-term Budgetary commitments National Postcode Lottery Dream Fund	1,639	3,809
Long-term Budgetary commitments institutional donors	6,252	0
Balance as at 31 December	7,891	3,809

The long-term budgetary commitments concern the portions of multi-year project grants and contributions that are expected to be spent in 2017. The movement in long-term liabilities is shown in note 3.11a. The long-term budgetary commitments **National Postcode Lottery Dream Fund** concerns the portions of the contribution for the Tuberculosis breakthrough project that is expected to be

spent in 2017. The long-term budgetary commitments institutional donors concerns multiyear agreements concluded with the Dutch Ministry of Foreign Affairs and UNITAID.

3.11 Short-term liabilities in euro thousands

	2015	2014
Payable to other MSF-sections	14,477	9,854
Budgetary commitments (see specification in note 3.11a)	9,761	3,390
Accounts payable/creditors	3,766	3,426
Budgetary commitments National Postcode Lottery Dream Fund	2,708	2,200
Taxes payable	2,080	2,330
Payable to head office staff and expatriate staff	2,520	2,221
Outstanding payments to suppliers in project countries	1,250	1,128
Payable to national staff employed in the project countries	625	677
Other liabilities	1,109	1,426
Balance as at 31 December	38,296	26,652

The increase in the item Payable to other MSF-sections can mainly be explained by an increase in the outstanding settlement of costs paid by MSF-Belgium for jointly managed projects being carried out in Afghanistan. Included in this item are also payments related to expatriate staff hired from other MSF-sections. The outstanding amounts for these payments are higher as a result of the increased number of staff hired from other sections.

Budgetary commitments are commitments arising from awarded project grants for which the total eligible costs in 2015 are lower than the total grant awarded. The balance concerns the portion of the project grants that have yet to be implemented by MSF-Holland. The increase can be

explained by an increase of multiyear contracts concluded in 2015.

The item Payable to head office and expatriate staff primarily concerns payable vacation days, the accrual for vacation allowance, pension premium payable, per diem and net salary for head office and expatriate staff. The item Payable to national staff employed in the project countries includes payable net salary, accrual of vacation days and accrued severance pay for these employees.

The balance of the budgetary commitments **National Postcode Lottery Dream Fund** concerns the portion of the total contribution that is expected to be spent in 2016.

3.1 1a Movement in budgetary commitments in euro thousands

The item Budgetary commitments developed in the year as follows:	2015	2014
Balance as at 1 January	3,390	5,039
Listed under long-term liabilities as at 1 January	0	0
Project grants awarded by MSF-sections in this financial year (see also note 3.4)	162,562	116,962
Project grants awarded by institutional donors in this financial year (see also note 3.5)	32,758	25,951
End of year revaluation of outstanding contracts	455	239
Project grants realized in 2015 from other MSF-sections (see also note 2.12)	-162,672	-116,866
Project grants realized in 2015 from institutional donors (see also note 2.13)	-20,478	-27,872
Total project grants	-183,150	-144,738
Non-allocated project grants	-2	-63
Listed under long-term liabilities as at 31 December	-6,252	0
Balance as at 31 December	9,761	3,390

The budgetary commitments at the end of the 2015 financial year refer entirely to the implementation of projects in 2015 and 2016 and are thus short-term commitments. Long-term budgetary commitments at the end of 2015 are specified under paragraph 3.10 Long-term liabilities.

3.12 Commitments not included in the Balance Sheet

Office rent agreements

Budgetary commitments not included in the Balance Sheet refer to the contract for office rental (including service costs) for the Amsterdam office. The total amount of these commitments is € 2,465,770 for 2016 up to and including 2018. € 1,052,801 refers to 2016, € 1,059,727 to the year 2017, and € 353,242 to the year 2018.

Starting March 1st, 2013 a rental contract for 9 years was concluded for the rental of the office of MSF-India. The total amount of the commitments arising from this rental agreement is € 1,513,912 for 2016 up to and including 2022. € 218,413 refers to 2016, € 1,250,568 to the years 2017-2021 and € 44,931 to the year 2022.

Guarantees

A bank guarantee of € 249,009 drawn on ABN AMRO is granted for the rental contract of the office in Amsterdam.

Pension scheme

As at December 31, 2012 MSF-Holland ended the pension schemes placed with a life insurance company. In view of the nature of the insurance contract, management is of the view that MSF-Holland's liability is limited to the contributions paid to the insurance company. All contributions have been paid in full. At the closure of the year 2015 the procedures concerning the ending of the insurance contract are pending and it cannot be excluded that future commitments may arise from the concluded schemes.

Litigation and taxation

In a number of countries in which MSF-Holland implements projects, taxation and litigation procedures are pending. MSF-Holland maintains a register of these. In these Financial Statements accruals are made for a total of € 70,000 (2014: € 219,601). Based on legal advice obtained and the provisions made we do not expect that any further significant financial liabilities will arise out of these procedures.



4 Accounting Policies

© Tommy Trenchard

‘Before the Ebola epidemic, Sierra Leone was already facing an acute shortage of qualified medical staff. Now that more than 220 healthcare workers have died from the virus, that need has only increased.’

Jose Hulsenbek

Country coordinator, Sierra Leone, July 2015.

These Financial Statements have been prepared in accordance with Dutch Civil Code, Title 9, Book 2, and in particular with the Guideline 650 for the Reporting of Fundraising Institutions (revised 2011), as published by the Dutch Accounting Standards Board (Raad voor de Jaarverslaggeving) in January 2012. These Financial Statements are prepared on an accrual accounting, historical cost basis in accordance with the accounting principles of matching and prudence consistently applied and fairly presented and as further explained below. The valuation principles and method of determining the result are the same as those used in the previous year.

Assets and liabilities are accounted for at historical costs and unless stated otherwise are shown at the value they were acquired or incurred. Expenditure and revenues are allocated to the period to which they relate and in accordance with the principles below.

Foreign currency and currency translation differences

These Financial Statements are presented in euro, which is the functional and reporting currency of MSF-Holland. Monetary and non-monetary assets (inventory) and liabilities denominated in foreign currencies are converted to the closing exchange rates of the functional currency at balance sheet date. Translation differences resulting from settlement and conversion are processed through the Statement of Expenditure and Income in the period that they are realised. Transactions denominated in foreign currencies are translated at the exchange rates prevailing at the transaction date.

▲ 5 year old Ebola survivor Hassan Sillah has his ears checked by doctor Jostein Heggeboe in the MSF survivor clinic in Freetown. Many survivors are still suffering from physical, social and psychological problems long after beating the virus. Sierra Leone, November 2015.

Operational leasing

MSF-Holland has lease contracts whereby a large part of the risks and rewards associated with ownership are not for the benefit of nor incurred by MSF-Holland. The lease contracts are recognized as operational leasing. Lease payments are recorded on a straight-line basis, taking into account reimbursements received from the lessor, in the Statement of Expenditure and Income for the duration of the contract.

Cash flow statement

The Cash Flow Statement has been prepared according to the direct method in order to provide better insight into the flows of funds of MSF-Holland and the MSF-network. Cash flows denominated in foreign currencies have been translated into euro at the exchange rate prevailing at the transaction date.

4.1 Accounting policies on the valuation of assets and liabilities

Tangible fixed assets

Operating assets are stated at historical cost less depreciation. Depreciation is calculated according to the straight-line method based on expected economic life. For tangible fixed assets under development, depreciation starts at the moment the assets are taken in use. For all tangible fixed assets a depreciation percentage of 20% is used.

Purchase costs of fixed assets used in the project countries are expensed to project costs. After completion of the projects these assets are generally transferred to the beneficiaries.

Real estate is held for own use and is valued at fair value in the current real estate market. The annual property tax value assessment is used as the basis for this valuation. MSF-Holland does not own any real estate in the countries in which emergency aid projects are carried out.

On the balance sheet date management assesses and establishes whether fixed assets may be subject to impairment. At balance sheet date no impairment was applied.

Financial Assets

Financial Assets on the balance sheet concern loans and other receivables that will be held to maturity. As there is no open market these financial assets are recognised at cost, which is equal to the redemption value and, if lower, after the initial recognition, at fair value. If the fair value as at balance sheet date is lower than the redemption value the difference is recognised in the Statement of Expenditure and Income.

Inventory

Stocks are stated at average historical cost or lower realisable value. In determining the realisable value the obsolescence of the inventories is taken into account. The costs of the stocks are expensed to the projects at the time they are shipped to the project countries. The cost price of the stocks is calculated based on average costing while the movement of physical stock is according to the first-in-first-out principle and first-expiry-first-out principle for medical drugs. The costs incurred in order to bring the inventories to their current location are included in so far these can be attributed directly.

Accounts receivable

Receivables are recognised initially at fair value and subsequently measured at amortised cost. When a receivable is uncollectable, it is written off against the allowance account for receivables.

Cash at bank and in hand, cash equivalents

Cash at bank and in hand is carried at nominal value. Cash at bank and in hand represents the balances of all accounts held for head office and projects, both in the Netherlands and abroad, and deposits with terms of less than twelve months. Cash and bank balances denominated in foreign currencies are valued at the exchange rates prevailing at year end date.

Events after the reporting period

An event after the reporting period is disclosed when it results in significant commitments or downward revaluation of assets. In these Financial Statements no significant events after the reporting period occurred which should be included.

Pensions and pension provision

MSF-Holland has a number of pension schemes to which the provisions of the Dutch Pension Act are applicable. Premiums are paid based on a contractual basis. Premiums are recognised as employee cost when they are due. Contributions that are due but have not yet been paid are presented as liabilities.

(A) As of 1 January 2013 a pension scheme for all employees was entered into with a Premium Pension Institution (PPI). All contributions have been paid in full. In this pension scheme employees accrue a pension capital by investing the monthly available premium that is fully paid by MSF-Holland. The accrued invested pension capital is designated for the purchase of a retirement pension and partner pension at retirement age. Under this pension plan employees by default invest in SRI-funds. Within statutory limitations employees have full freedom to alter their investment profile. The investment risk is fully with the employees.

(B) The pension schemes set up for the employees and valid until 31 December 2012 have been based on a career-average plan with conditional indexation. All schemes have been placed with a life insurance company and, in view of the nature of the insurance contract, no future obligations are expected to arise from these pension schemes. This means that MSF's commitment towards its employees, under the former insurance contract concluded with the life insurance company, are limited to the contributions paid to the insurance company. All contributions have been paid in full.

MSF-Holland does not have any pension plan for national staff in mission countries. At balance sheet date there are no pension provisions.

Liabilities

Current and long-term liabilities are recognised initially at fair value subsequently measured at amortised cost price which usually is the nominal value.

4.2 Accounting policies on the expenditure and income

Emergency aid costs

Costs of emergency aid relate to the costs of the aid projects undertaken by MSF-Holland. This concerns any on-site costs incurred by the projects, as well as the costs of medical and logistic personnel posted and the costs of relief supplies bought via head office and transported to the projects.

Relief supplies purchased through head office are expensed to the projects at the time they are sent to the project country. Supplies delivered to the warehouse and being readied for transport are accounted for as project-related stocks and are included in the Balance Sheet. Outstanding orders for purchases are not included in the accounts. Outstanding orders are internally reported as budget commitments and are included in the three-way matching procedure.

Emergency aid carried out by third parties

Grants issued to third parties and contracts commissioned to third parties are stated as costs from the awarding date.

Preparation, coordination and programme support costs

Costs of preparation and coordination relate to the costs incurred by head office for the direct support of aid projects managed by MSF-Holland. Relevant costs include costs of departments handling the provision of medical advice, handling the purchase of project supplies, and the recruitment and posting of staff. The costs of the Operations Director and the Medical Director are included in this category.

For aid projects in a number of countries, preparation and coordination activities have been (partly) outsourced to the sections with which MSF-Holland works collaboratively. The costs of the activities outsourced to support the projects directly in other MSF-sections are explained in more detail in chapter 6, Partnerships. These costs are not included in the MSF-Holland financial statements.

Information and awarenessraising costs

Costs of information and awarenessraising relate to the costs of advocacy within the framework association goals. The primary purpose of advocacy is to increase the public's awareness and to bring about a change of attitude and conduct.

The allocation of costs for information and awareness-raising and the categories stated below are based on the following guidelines:

- 50% of the costs of the website go to information and awarenessraising and 50% to management and administration;
- 25% of the costs of the donor periodical Hulppost go to information and awarenessraising and 75% to costs own fundraising;
- 50% of the costs of publishing the Annual Report and the Financial Statements go to information and awarenessraising and 50% to management and administration

Costs thirdparty fundraising activities

Costs of thirdparty fundraising activities are the costs invoiced to MSF-Holland by the thirdparties for these fundraising activities or directly related to those. These costs are generally agreed in advance with the thirdparty, and are directly related to the lotteries, actions or events which are carried out to raise funds for MSF-Holland.

Costs own fundraising

Fundraising costs relate to all costs of activities with the direct or indirect purpose to encourage people and institutions to donate money for one or more goals of the Association. 75% of the costs of the donor periodical Hulppost have been allocated to fundraising costs. The bank costs which correspond to the fundraising activities are incorporated by MSF-Holland in the management and administration costs. The automation costs and subsequent costs of depreciation related to the registration and communications with (potential) donors are included here.

Costs acquisition institutional donor grants

The costs of acquiring government grants are shown in Costs of acquiring institutional donor grants if these costs were made at head office. This particularly concerns part of the personnel costs incurred in the project administration department that are calculated as a percentage of total funding received.

Management and administration costs

Management and administration costs relate to the costs made for directing and managing the organisation. 50% of the costs of the website have been allocated to the management and administration costs. In addition, 50% of the costs of the Annual Report have been allocated to the management and administration costs. The costs of recruiting personnel to work at the head office and also the costs of performing general financial administration, planning and control, the general legal expenses, as well as the costs of the Board and the Association have been included in this category.

Overhead costs relate to the costs of facility support for housing, automation, general insurances and other office facilities and include depreciation costs, with the exception of the depreciation costs of the donor database which are included in the costs own fundraising.

The table on the next page describes how the Recommendation Application of Guideline 650 for Management & Administration costs (January 2008) as published by the Dutch charity branch organisation Goede Doelen Nederland is used by MSF-Holland.

EXPENDITURES	Management & administration	Overhead	Explanations
Board and association	100%	-	
General Director, Director Resources	100%	-	The Medical Director and Director Operations are attributed to preparation, coordination and programme support
Delegate Director	50%	-	Other 50% to Fundraising
Head of Department Communications	100%	-	
Heads of Department Finance and HRM	100%	-	
Administrative support to all directors and heads of department	100%	-	
ICT at head office	-	100%	
Housing, facilities and office utensils and supplies	-	100%	
Head of Department Program Management Office, PMO officer, general costs	-	100%	Expenses of improvement projects are directly attributed to the relevant category
Control, internal audit	100%	-	
Website including audiovisual material	50%	-	Other 50% to communication expenses
Annual report, corporate communication	50%	-	Other 50% to communication expenses.
Bank costs	100%	-	Including bank costs related to fundraising incomes
Financial administration	100%	-	
Emergency aid projects administration at head office	-	-	To preparation coordination and programme support
Head office staff Salary- and personnel contract administration	-	100%	
Salaries and Personnel costs	Pro rata	Pro rata	As much as possible attributed to actual deployment see below
Depreciation	-	100%	Depreciation for assets deployed in Emergency aid projects is indirectly attributed to Emergency aid
General insurances	-	100%	
Audit and audit costs	100%	-	Auditors costs for grants are directly attributed to costs of Emergency Aid
Costs of settlement and administration of acquired inheritances	-	-	All to costs Fundraising including their direct legal expenses
Legal Counsel and legal (advice) expenses head office	100%	-	Costs of document legalisations are directly attributed to Emergency aid
Contribution to general costs MSF-International	100%	-	

Division of personnel costs and overhead costs

Employee costs (salaries, social security contributions, pension premiums etc.) are presented as separate items in the Statement of Expenditure and Income. Personnel costs at head office are divided over the main expenditure destinations and the Overhead to be attributed in proportion to the number of allotted full-time equivalents (FTE) of personnel at head office. After the allocation of personnel costs the overhead costs are attributed in the same way to the different destinations. Note 2.9 in these Financial Statements explains the divisions of these costs after the allocation of the personnel costs.

Salaries, wages and social security contributions are charged to the Statement of Expenditure and Income based on the terms of employment when they are due to employees and the tax authorities respectively. For pensions the premium payable during the financial year is charged to the result. See under Pensions above.

Donations and gifts

Direct donations from the public and from private companies are recognised upon receipt.

Donations and gifts of which the use is designated by the donor (or, in the case of a legacy or bequest, by the donor's will) to specific purposes, or is restricted in time, or is required to be invested and retained rather than expended, are designated 'earmarked funds'. Other income earned from restricted revenues such as interests earned from the investment of restricted funds is also considered as restricted with the same designation as the original funds, unless otherwise specified by the donor.

Contributions

Contributions from members of the Association are accounted for on a cash basis. Members' contributions are not obligatory.

Inheritances

Inheritances are recognised on an accrual basis for the estimated value based on the available correspondence relating to an inheritance. Deviations from this estimate are processed at the time of receipt of settlement of the inheritance.

Foundations, associations and private grants

Grants from private organisations are shown under income from own fundraising. These grants are accounted for as income in the Statement of Expenditure and Income in the same year as the related project costs can be declared to the donor.

Income from thirdparty fundraising activities

Income from thirdparty fundraising activities concern amounts from the proceeds of the **National Postcode Lottery** and other thirdparties. Income allocated by thirdparties is included as income at the time of the allocation. The proceeds of thirdparty appeals are based on contracts and on contractually valid financial regulations.

As an exception of the above principle, the contribution from the **National Postcode Lottery Dream Fund** is accounted for as income in the Statement of Expenditure and Income for the maximum eligible costs as occurred in the book year.

Income from within the MSF-network

Project grants allocated to MSF-Holland and the subsequent budgetary obligations arising from grants from within the network Médecins Sans Frontières are shown in the Balance Sheet from the contract date. These grants are accounted for as income in the Statement of Expenditure and Income for the maximum eligible costs according to the contract and as incurred in the book year. According to Guideline 650 this income should be shown under income from thirdparty appeals. In view of the volume and the importance of income from within the network Médecins Sans Frontières, it has been decided to show this as a separate category.

Grants and income from institutional donors

Project grants from governmental institutions awarded to MSF-Holland and the related budgetary obligations are shown in the Balance Sheet from the contract date. These grants are accounted for as income in the Statement of Expenditure and Income in the same year as the related project costs can be declared to the donor.

Interest income

Interest income is recognised on a pro rata basis.

Donations in kind

Donations in kind are not recognised as income and/or expenditure. Donations in kind are disclosed for information purposes in the explanatory notes in the Statement of Expenditure and Income as far as they concern goods that are essential to MSF to be able to execute its aid projects and, had they not been made available to MSF-Holland, would have been purchased. An explanation is given regarding received donations in kind for which a reporting obligation is required. An estimated total of the current purchase price of the received goods is shown in these Financial Statements. Donations from other MSF-sections are not included in the explanatory notes.



5

Financial Risks

‘Never before have we experienced such extreme and brutal violence. The war in this country is intensifying, and along with it the extreme violence, deliberately targeted at civilians.’

Tara Newell

Emergency aid manager, South Sudan, October 2015.

Our operational and fundraising activities result in exposure to a variety of financial risks. MSF-Holland has identified the following financial risks: credit risk, concentration risk, interest rate risk and foreign currency risk. Management policies have been established to identify and monitor these risks, and to set appropriate risk mitigation measures. Financial risk management is carried out in accordance with our treasury policy. The written principles and policies are reviewed annually by the Board Audit Committee. In our risk management activities non-financial risks are also reviewed; more information on those can be found in our Annual Report and the Board Accountability Statement.

▲ Over 27,000 people are living in deplorable conditions in Topping camp. The first rains of the season have left a significant part of the camp flooded and further degraded the poor sanitation conditions. South Sudan, March 2014.

5.1 Credit and concentration risks in euro thousands

Credit risks are primarily associated with the cash and cash equivalents we hold at financial institutions and to some extent from receivables relating to our institutional donor grants.

Cash balances held in Amsterdam are at a minimum of 80% held with banks that have a credit risk rating of at least 'A-', as rated by an acknowledged rating agency. In accordance with our treasury policy smaller maximised cash balances are held with banks that have a credit risk rating of BB+ and BBB+. In our projects cash balances are held to an operating minimum. Risk is mitigated by assessment of the available financial institutions and by planning the frequency of cash transfers to our projects in line with payment patterns. At the end of 2015 credit risk exposure for one bank in the Democratic Republic of Congo is real to a total amount of USD 45,770 due to pending bankruptcy.

Cash and cash equivalents held in Amsterdam are spread over five banks: ABN AMRO, ASN Bank, ING, Rabobank and Van Lanschot. Although we aim to avoid significant concentration of our exposure to a particular financial institution, currently about 70% (2014: 62%) of our funds are held at ABN AMRO. As at 31 December 2015 approximately 75% of the shares of ABN AMRO were state owned. The current cash management agreement with ABN AMRO ends at 31 December 2016.

The development of the savings deposits over a period of five years is shown below. The realised interest per year is also shown. MSF-Holland has no investments and all savings deposits are held in euro. Subsequently there are no investment or exchange rate results included in this overview. Limited progress has been made in further developing an investment policy for MSF-Holland. In view of the interdependencies with other MSF-sections it has been decided to await an overall investment policy framework at the level of MSF-International.

	2015	2014	2013	2012	2011
Balance as at 1 January	113,875	92,198	81,945	82,350	76,044
Balance as at 31 December	136,613	113,875	92,198	81,945	82,350
Increase during the year	22,738	21,677	10,253	-405	6,306
Net result cash at bank (income from interest)	918	1,058	1,371	1,584	1,553

Our exposure to institutional donor grants credit risk has reduced compared to previous years. Credit risk resulting from institutional donor grants for MSF-Holland has two main components: solvability risk of the institutional funder and the eligibility compliance risk of expenses claimed under a grant agreement.

The risks resulting from institutional donor grants are mainly managed through effective and efficient proposals and ensuring timely, correct and complete reporting and diversification of donor funding sources. At the end of 2015 no provisions related to institutional donor grants credit risk were required.

5.2 Interest risks

Interest income is received on the cash balances based on market rates for the corporate sector. It is our intention to prioritise capital preservation and to earn a reasonable interest income using plain instruments that guarantee the principal amount such as bank deposits and money market

fund investments that are governed by our treasury policy. In 2015 only bank savings deposits were used. The estimated realised interest over a period of five years on the average of the savings deposits as show above was as follows:

	2015	2014	2013	2012	2011
Percentage of interest received on the average of savings deposits	0.7%	1.0%	1.6%	1.9%	2.0%

The interest realised is in line with market interest rates but not sufficient to ensure capital preservation in real terms and to make up for inflation. Although inflation in the euro zone was around 0.5% over 2015, average inflation world wide and specifically in the countries where we work is higher. In the short term, banking policies towards

corporate savings are becoming more restrictive and are resulting in a downward pressure on interest income. Based on the current agreements with the banks and the distribution of savings we do not anticipate to realise any negative interest rates on our savings accounts in 2016.

5.3 Reserves risk management

Our reserves policy aims to maintain a capital structure that enables us to achieve our strategic objectives and daily operational needs, to safeguard our ability to continue as a going concern and to meet our current obligations.

At the end of 2015, 97% of the reserves were retained in cash at hand and in bank (2014: 95%). At balance sheet date, of the total reserves 39% is marked as buffer capital reserves. In addition MSF-Holland keeps a flexible liquidity position of about 25% of the current reserves to guarantee the unhindered progress of our aid projects and to come into action quickly.

5.4 Foreign currency risk in euro thousands

As we operate internationally we work with multiple currencies on a daily basis. Income from other MSF-sections is realised in euro, pound sterling, the US dollar, the Canadian dollar, Swedish kroner and other currencies and does not necessarily match our expenditure which is largely in euro and the US dollar. These are in turn converted into other currencies as applicable in our project countries. Our foreign currency exposures relate mainly to project funding grants, purchasing of medical goods, and payments that are denominated in currencies other than our functional currency: the euro.

We manage our foreign currency transaction risk through the view that the foreign currency incomes largely represent a natural hedge in comparison to our expenditure. Balances held in other currencies than the euro or US dollar are as much as needed exchanged into

US dollar. The majority of our income is in euro which reduces the foreign currency risk exposure considerably. Foreign currency needed in our project countries is as much as possible purchased centrally while balances are kept to a minimum. In 2015 about 38% (2014: 45%) of the total expenditures were in euro. A total of 69 million US dollar was used for payments and transfers to project countries. In project countries part of these US dollars were exchanged into local currencies. About 21% (2014: 18%) of the total expenditure was in the US dollar. Various other foreign currencies make up the remainder of 41% (2014: 37%) of the total expenditures. In 2015 MSF-Holland did not use financial instruments to control currency risk on various foreign currencies.

The exchange results over a period of five years compare as follows:

	2015	2014	2013	2012	2011
Realised exchange results from transactions in non-euro currencies	-1,247	108	-1,185	204	729
Unrealised exchange results from transactions in non-euro currencies	1,084	1,561	-650	-26	177
Total exchange rate result from transactions during the year	-163	1,669	-1,835	178	906

Foreign currency sensitivity

A sensitivity of 2.5% strengthening or weakening of the euro as at 31 December 2015 against our main contract currencies would have increased (decreased) our end of year result by the amount shown below. The sensitivity of the currency valuation in this overview affects the unrealised exchange results as stated in the table above and takes into account the cash and bank position and the

receivable and payable positions. Compared to 2014 the total exposure increased from € 15.4 million to € 19.8 million. This is caused by the higher receivable from MSF-UK in pound sterling. The balance in US dollar remains high as this is a principle currency used in our projects.

Currency	FX balance sheet exposure in Currency at 31-12	Exchange rate at 31-12	FX balance sheet exposure in € at 31-12	Strengthening	Weakening
AUD	-141,455	0.6713	-94,956	-2,548	2,548
CAD	40,039	0.6616	26,488	-9,440	9,440
CHF	-1,143,163	0.9229	-1,055,065	-13,949	13,949
DKK	229,378	0.1340	30,737	-846	846
GBP	2,921,643	1.3625	3,980,711	-1,563	1,563
HKD	-127,056	0.1185	-15,058	-446	446
JPY	-5,528,918	0.0076	-42,183	-719	719
NOK	-43,706	0.1041	-4,551	-835	835
SEK	827,219	0.1088	90,018	8,405	-8,405
USD	18,424,824	0.9185	16,923,692	406,201	-406,201
Total			19,839,833	384,258	-384,258

Foreign currency risk on Operational Expenses

In 2015 exchange rate developments had a significant impact on our expenditure on operations as well as our income. Early in 2015 we estimated that maintaining the same operations volume as in 2014 would result in an increased cost of € 11.4 million which would be offset by an increased euro value of foreign currency income estimated at € 5.2 million. Of the total increase of expenditure on operations realised in 2015 of € 39.4 million, an amount of approximately € 14.0 million can be attributed to exchange rate effects, leaving an actual operations growth in financial volume of € 25.4 million. Of the total increase in income of 10% an amount of approximately € 9.5 million or 4% can be explained by exchange rate effects. This amount represents half of the increase in income realised from within the MSF-network and from institutional donors. For the mid term we anticipate the main exchange rates as they have developed in early 2015 will remain around current values and bandwidth and have taken these as starting point for our forward financial planning (see Annex 1, Forward statement).

6

Partnerships



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'I am deeply affected by the stories I hear and everything I see, from the air and on the ground. But I don't let the people we are helping see what I am feeling. That's no good to them. We are here to provide care and to listen to them. That is our only concern.'

Anne Kluijtmans

Nurse, Nepal (earthquake), May 2015.

MSF-Holland is a member of the international network of Médecins Sans Frontières, in which 24 institutional members (MSF-sections) and a number of associated institutions are active. All MSF-sections are united in the Swiss-based Association Médecins Sans Frontières International. Every MSF-section is an independent economic and legal entity. The association Médecins Sans Frontières International can make decisions that, in practice, are binding for the individual organisations. The association Médecins Sans Frontières International supervises the organisations' objectives and identity, promotes mutual cooperation, and coordinates the growth of the associated organisations and the sharing and allocation of available resources.

The cooperation within the international network Médecins Sans Frontières is a continuous and structural partnership, although none of the participating entities can be viewed as a formal principal. Consequently there is no formal obligation to draw up consolidated accounts. Annually the MSF-network publishes audited Combined Financial Statements. The 2015 Combined Financial Statements are published after publication of the MSF-Holland Financial Statements and can be viewed at <http://www.msf.org/international-financial-reports>. The anticipated publication date is May 25th, 2016.

▲ Maila Gurung broke his leg when an earthquake with a magnitude of 7.8 hit Nepal on the 25th of April. More than 8,000 people were killed. Nepal, May 2015.

6.1 Médecins Sans Frontières international network

The association Médecins Sans Frontières International is governed by the International Board, which in turn is supervised by the International General Assembly. MSF-Holland is an institutional member. The association Médecins Sans Frontières International also has private members. More information can be found on www.msf.org/msf-movement.

- MSF-Holland appoints 2 of the 48 institutional delegates of the General Assembly of the Association Médecins Sans Frontières International;
- The annual contribution to the expenditures of the international office is based on the income from own fundraising from the previous year. In 2015, MSF-Holland's share was 5.83% (2014: 7.31%) of the total expenditures of the association Médecins Sans Frontières International. In 2015 the contribution totalled € 663,606 (2014: € 702,361); In 2014 the expenditure of MSF-Holland was 18.8% (2013: 19.8%) of the total expenditure of the MSF-network combined.

6.2 Operational Centre Amsterdam partnership

MSF-Holland works in particular together with the MSF-sections in Germany and the United Kingdom. These MSF-sections contribute, each in their own way, actively to the supervisory function, policy setting and to the executive level of the Association MSF-Holland. The collaboration in the Operations Centre Amsterdam (OCA) only concerns the execution and direct support of aid projects. There is no formal private organisation constituted.

The OCA is governed by a Memorandum of Understanding that is signed by the Board of MSF-Holland, together with the Boards of the MSF-sections in Germany and the United Kingdom as primary partners. Together they have established a supervisory umbrella organ: the OCA-Council. The OCA-Council has 6 voting members and 3 co-opted non-voting members from MSF-Canada, MSF-Sweden and MSF-South Asia.

- The Board of MSF-Holland delegates two of its members to the OCA Council. The president of MSF-Holland is one of the delegates. Both are voting members;
- The treasurers of the OCA-partners are members of the Audit Committee that is chaired by the MSF-Holland treasurer (2015);

- The chair of the Audit Committee has a standing invitation to the OCA Council meetings;
- The OCA Council approves the medical and operational strategic plan for the OCA and approves the operational annual plan, including the annual plan of the programme support departments;
- At the executive level, the General Directors of MSF-Germany and MSF-UK actively participate in the day-to-day management of the project execution. Together with four members of the MSF-Holland management team they form the OCA Management Team. The General Director of MSF-Holland is the chair of the OCA Management Team.
- The management of the MSF-sections' office organisations is run by the individual MSF-sections.

In the total of MSF-Holland's costs for preparation and coordination, the costs of activities that are carried out by MSF-Germany are not included. These costs will be shown in their financial statements. The costs including outsourced activities are as follows:

in euro thousands	2015	2014	FTE 2015	2014
MSF-Holland preparation, coordination and programme support costs	15,827	12,973	153	132
Costs outsourced activities MSF-Germany	1,593	1,547	18	18
Total Preparation, coordination and programme support costs	17,420	14,520	171	150
(as % of the total spent on Association goals - policy standard is 8%-10%)	7.9%	7.8%		

6.3 Contributions

- In 2015 MSF-Holland contributed € 258,243 (2014: €241,862) to the MSF-International campaign Access to Essential Medicines. In 2015 the share of MSF-Holland was 5.83% (2014: 7.31%) of the expenditure of the campaign;
- MSF-Holland contributes to the international fund for innovation in projects that is managed by MSF-International. In 2015 the contribution was € 32,951;
- MSF-Holland contributed € 233,200 (2014: €287,267) to the contribution of MSF-International to the Drugs for Neglected Diseases Initiative (DNDi). In 2015 MSF-Holland contributed 5.83% towards the total contribution of MSF-International to DNDi.

6.4 International financial cooperation

Within the network Médecins Sans Frontières agreements were made for the period 2012-2015 regarding the division of fundraising revenue that is available for aid projects after the deduction of costs for offices and the contributions to MSF-International. In 2015 a new agreement was drawn up for the period 2016-2019 that changes the relative share of the net income from some of the MSF-sections that MSF-Holland currently relies on for

its funding. The changes in revenue share were intended to result in having no significant effect on the level of total income from within the MSF-network received by MSF-Holland. However, as the overall income of MSF-Germany, MSF-United Kingdom and MSF-USA is growing relatively fast the new division will lead to increased income from within the MSF-network.

Share of net income to MSF-Holland	2012-2015	2016-2019	Currency
MSF-Canada	70%	40%	CAD
MSF-Germany	70%	70%	EUR
MSF-United Kingdom	70%	70%	GBP
MSF-Hong Kong	30%	30%	EUR
MSF-Austria	30%	0%	EUR
MSF-United States	variable	16%	USD
MSF-Sweden	20%	20%	SEK

The financial agreement 2016-2019 includes further agreements on the amount and location of the financial reserves of the MSF-sections. The bandwidths for the growth of the expenditures on emergency aid projects and support structures are also included in the agreement.

Other agreements

- The terms of employment and the remuneration structure for expatriate personnel have been fully aligned to both the ratio of the local cost of living as well as the social security standards. The Board of MSF-International may propose changes to the terms of employment that intermittently have an effect on the costs for expatriate staff employed by MSF-Holland.
- All posted staff are insured and covered by a worldwide health and disability insurance policy;
- As of 01-01-2016 a worldwide Directors and Officers liability insurance has been taken out;
- In a number of countries where MSF has emergency aid projects insurance coverage is limited as specific risks are not covered in the market. For these, further agreements have been made in the MSF-network;
- A worldwide medical malpractice liability cover has been arranged that covers the entire MSF-network. Based on its operational volume MSF-Holland contributes 25% towards the premium of that cover.

6.5 Combined Financial Statements

The MSF-network has published Combined Financial Statements since 2003. The Combined Financial Statements 2015 will be published after the publication of the MSF-Holland Financial Statements. The anticipated publication date is May 25th, 2016. As of the reporting year 2015 the Combined Financial Statements are audited against Swiss GAAP-FER. The Combined Financial Statements for 2014 are accompanied by an unqualified opinion issued by *KPMG SA* and *Ernst & Young SA*, Geneva, Switzerland. The Balance Sheet and the The Combined Financial Statements can be found on MSF-Holland's website www.artsenzondergrenzen.nl or www.msf.org.

Other Information

‘From a medical perspective, the last month has been the worst I have ever experienced. Everyone who was not killed or wounded can count themselves lucky. We have seen enough death and destruction. Enough blood and misery. Enough is enough.’

Anonymous

Field hospital director Syria, September 2015.

The Financial Statements are prepared by the management. On the condition of obtaining an unqualified opinion of the auditor the Financial Statements were unanimously adopted by the Board of the Association MSF-Holland in its meeting of 8 April, 2016.

The Annual Financial Statements will be presented for approval to the General Assembly to be held June 4, 2016.

Amsterdam, 8 April 2016

The Association Board and the General Director

▲ Physiotherapist Rula is helping Fawzi get back on his feet during a physiotherapy session in MSF's Ramtha Surgical project located just less than 5 km from the Syrian border. Jordan, May 2015.



Independent auditor's report

To: the General Director and the Board of Artsen zonder Grenzen

Report on the financial statements 2015

Our opinion

In our opinion the accompanying financial statements give a true and fair view of the financial position of Artsen zonder Grenzen as at 31 December 2015, and of its result for the year then ended in accordance with the Guideline for annual reporting 650 'Charity organisations' of the Dutch Accounting Standards Board.

What we have audited

We have audited the accompanying financial statements 2015 of Artsen zonder Grenzen, Amsterdam.

The financial statements comprise:

- the balance sheet as at 31 December 2015;
- the statement of income and expenditure for the year then ended;
- the notes, comprising a summary of the accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is the Guideline for annual reporting 650 'Charity organisations' of the Dutch Accounting Standards Board.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the section 'Our responsibilities for the audit of the financial statements' of our report.

We are independent of Artsen zonder Grenzen in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Responsibilities of management and the Board

Management is responsible for:

- the preparation and fair presentation of the financial statements and for the preparation of the annual report, both in accordance with the Guideline for annual reporting 650 'Charity organisations' of the Dutch Accounting Standards Board; and for
- such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the organisation's ability to continue as a going-concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going-concern basis of accounting unless management either intends to liquidate the organisation or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the organisation's ability to continue as a going-concern in the financial statements.

The Board is responsible for overseeing the organisation's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our audit opinion aims to provide reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high but not absolute level of assurance which makes it possible that we may not detect all misstatements. Misstatements may arise due to fraud or error. They are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A more detailed description of our responsibilities is set out in the appendix to our report.

Announcement with respect to the annual report

We have read the annual report in order to identify material inconsistencies, if any, with the audited financial statements. Based on reading the annual report we confirm, to the extent we can assess, that the annual report is consistent with the information in the financial statements and that the annual report contains all information required by Guideline for annual reporting 650 'Charity Organisations' of the Dutch Accounting Standards Board. We have not audited or reviewed the information in the annual report.

Amsterdam, 12 April 2016
PricewaterhouseCoopers Accountants N.V.

Original signed by J.L. Sebel RA



Appendix to our auditor's report on the financial statements 2015 of Artsen zonder Grenzen

In addition to what is included in our auditor's report we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. Our audit consisted, among others of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit 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 organisation's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the organisation's ability to continue as a going-concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the organisation to cease to continue as a going-concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



ANNEX 1

Forward Statement

‘The illnesses and diseases suffered by our patients are directly linked to overpopulation and the horrific conditions in which they are living. Aid organisations need to urgently improve basic supplies for the refugees.’

Monica Camacho

Project coordinator, South Sudan, November 2015.

Our Forward Statement of Expenditure and Income is based on the medical and operational ambitions laid out in the *OCA Strategic Plan 2015-2019* and the multiyear forward planning as agreed between the MSF-sections. Following a steep increase in both operations expenditure and income in 2014 which continued in 2015, the forward planning was revised in 2015 after a new multiyear forward planning for the period 2016-2019 regarding resource sharing between the MSF-sections had been agreed earlier in the year.

The forward-looking statements are linked to our strategic medical operational ambitions. By their nature forward-looking statements relate to future events and circumstances and therefore contain uncertainty. Whereas for a part this is built in, actual results may differ materially from those presented here.

For the period 2015-2019 we have outlined an ambitious medical and operations plan that involves investing in our emergency response capacity and expanding our medical and public health services. At the core of our activities are our staff. We will invest in their capacity and competency as well as in the expected gradual increase in staff numbers in our projects. We will also invest in our support systems to ensure the sustainability of effective and viable operations.

▲ New arrivals, many of whom have come from Leer, struggle with the few commodities they have inside the UN Protection of Civilians sits in Bentiu, which holds over 110,000 displaced. South Sudan, November 2015.

A1.1 Development of staffing in fulltime equivalents

	Actual 2014	Actual 2015	Budget 2016	Forecast 2017	Forecast 2018
Expatriate staff	658	715	800	832	865
Office staff Amsterdam	203	226	260	275	290
National staff in projects	7,624	7,675	9,220	9,550	9,950
Total staff	8,485	8,616	10,280	10,657	11,105

A1.2 Operations expenditure development

With operations in 30 missions in 28 countries in 2015, we exceeded our expectation to operate 25-27 missions. We continue planning with each mission having an average of 3 regular projects and an overall capacity of 25% for emergency responses. Increases in staff costs and our medical operations ambitions are expected to result in a growth of expenses of 10% per year. In addition, we will ensure that reserve funds are available to invest in complex and high-security constraint contexts and emergency responses.

To enable us to deliver our medical and operations plans and our ambitious increases in private fundraising, we

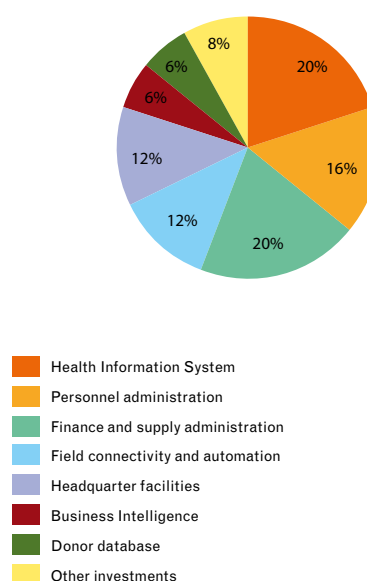
started improving our management capability and the service delivery of our headquarters' support to the field. The anticipated steep growth of headquarters based programme support, and management and administration indeed started in 2015 and continues in 2016, but is expected to slow down in the following years.

The MSF-Holland own private fundraising income is projected to grow at an average of 4% per year in the Strategic Plan period. We have revised the anticipated share of our institutional funding requirement towards 10% in 2015. In the coming years we plan to maintain the same nominal level thus reducing its relative share.

A1.3 Investments

We recognise a need to invest in our support capacity and our systems to increase the effectiveness and efficiency of our operations. The increasing complexity of our medical programming requires accurate and complete patient data to be available and readily analysable. In addition, our supply and financial accountability must be timely and complete. Over 8,000 people work in our projects and good staff administration is essential. In the previous years we prepared for several upcoming investment programmes. We expect to invest between € 20 million and € 25 million in support systems and improvement projects during the strategic plan period 2015-2019.

INVESTMENTS 2015-2019



A1.4 Forward Statement of Expenditure and Income

in euro thousands

EXPENDITURE	Actual 2014	Actual 2015	Budget 2016	Forecast 2017	Forecast 2018
Spent on Association goals					
Emergency aid	161,298	200,734	240,000	264,000	290,400
Emergency aid commissioned through thirdparties	8,838	311	250	250	250
Preparation, coordination and programme support	12,973	15,827	20,431	22,358	22,332
Information and awareness raising	2,154	2,669	3,249	3,456	3,579
Total spent on Association goals	185,263	219,541	263,930	290,064	316,561
(in % of total available income - target is > 85%)	87%	86%	103%	102%	102%
(in % of total expenditure - target is > 90%)	93%	94%	93%	93%	94%
Cost of fundraising					
Costs from own fundraising	7,668	7,587	8,573	9,015	9,105
(as a % of the income own fundraising - target is < 20%)	15%	15%	16%	16%	16%
Costs thirdparty fundraising activities	822	320	360	310	320
Costs acquisition institutional donor grants	157	195	180	200	200
Management and administration	4,549	5,146	7,560	8,051	8,340
(in % of total expenditure - target is max 3%)	2,3%	2,2%	2,7%	2,6%	2,5%
(Net) contributions to MSF-India	1,436	1,954	2,822	3,098	3,343
Total expenditure	199,895	234,743	283,425	310,738	337,869
(as a % of the total of income)	94%	92%	111%	109%	109%
INCOME					
Income from own fundraising	52,192	51,819	53,292	55,430	57,777
Proceeds from National Postcode Lottery	13,500	18,500	13,500	13,500	13,500
Proceeds from National Postcode Lottery Dream Fund	527	1,662	2,708	1,639	0
Other income from thirdparty fundraising activities	911	0	0	0	0
Income from MSF-network	116,866	162,672	167,000	197,980	219,970
Grants from institutional donors	27,872	20,477	19,200	15,840	17,700
(as a % of the emergency aid expenses)	17%	10%	8%	6%	6%
Interest income and other income	1,204	1,246	750	500	500
Total Income	213,072	256,376	256,450	284,889	309,447
Result from operational activities	13,117	21,633	-26,975	-25,849	-28,422



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ANNEX 2

Médecins Sans Frontières India

‘Bringing the malaria epidemic under control is extremely difficult, because of poor logistics, a shortage of available medical personnel and the challenge of finding sufficient vaccines to inoculate almost 600,000 children.’

Louis Albert Massing

Medical coordinator, Democratic Republic of Congo,
June 2015.

In 2013 MSF-Holland together with MSF-UK established an office in India (MSF-India) with the aim to support our emergency aid programs through the recruitment of medical personnel from India, to develop fundraising in the Indian market and to develop the institutional presence of Médecins sans Frontières in India. **Médecins Sans Frontières India** is registered in India, New Delhi, under the Section 25 of the Companies Act, 1956 and is a private limited company. The entity is incorporated as a not-for-profit.

As at 31 December 2015, MSF-Holland participates with 80% of the issued share capital of the entity MSF-India. The other 20% of issued share capital is held by MSF-UK. Due to Indian foreign exchange permission regulations the share capital is not yet paid. The MSF-India statements are not consolidated into the MSF-Holland accounts as the interest is relatively limited and of temporary nature. The presentation here is for information purposes only and includes all payments by MSF-Holland related to activities of MSF-India. As of April 2016 (starting the new Indian fiscal year) the majority of the governing ownership of MSF-India will be placed with Indian nationals and MSF-Holland will reduce its participation in MSF-India to a maximum of 10% of the issued share capital.

▲ At the MSF-supported hospital in Baraka, wards are overflowing with malaria patients. Three to four patients are forced to share a bed, or sleep on mats on the floor, 2015. Democratic Republic of Congo, February 2015.

Statement of Expenditure and Income related to MSF-India for 2015 in euro

EXPENDITURE	2015	2014
Spent on MSF-India goals		
Preparation, coordination and programme support	316,300	225,509
Information and awareness-raising	430,556	279,513
Total spent on MSF-India goals	746,856	505,022
Fundraising expenses	1,291,224	687,437
Management and administration	582,700	431,901
Total expenditure	2,620,780	1,624,360
INCOME		
Income from own fundraising	596,437	170,491
Contributions from MSF-Holland	1,954,010	1,435,734
Total Income	2,550,447	1,606,225
Result operational activities	-70,333	-18,135
Exchange rate results	45	504
RESULT EXPENDITURE AND INCOME	-70,288	-17,631
ALLOCATION OF THE RESULT		
Additions/withdrawals to:		
Appropriation reserves	-20,778	-38,734
Other free reserves	-49,510	21,103
Total	-70,288	-17,631

Balance Sheet MSF-India as at 31 December 2015

in euro

ASSETS	31 December 2015	31 December 2014
Tangible fixed assets		
Operating assets	187,114	207,892
Receivables and accrued income		
Médecins Sans Frontières network	0	962
Other receivables and accrued income	104,507	89,415
	104,507	90,377
Cash at bank and in hand	142,820	86,582
Total assets	434,441	384,851
LIABILITIES		
Reserves		
Appropriation reserves	187,114	207,892
Other free reserves	53,633	103,143
Currency translation reserves	4,210	-16,378
	244,957	294,657
Short-term liabilities	189,484	90,194
Total liabilities	434,441	384,851

Colophon

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Cover photo: The MSF emergency surgical unit in Aden.
Yemen, March 2015. Photo: Mohammed Saleh