

Médecins Sans Frontières (UK)
(Company limited by guarantee)

Trustees' report and financial statements

Registered number 02853011
Charity number 1026588

Year ended 31 December 2014

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Report of the trustees

for the year ended 31 December 2014

The trustees (who are also the directors for the purposes of the Companies Act 2006) present their report along with the financial statements of the charity for the year ended 31 December 2014. This report constitutes the Strategic Report and the Directors' Report required under the Companies Act 2006. The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" revised in March 2005.

1 REFERENCE AND ADMINISTRATIVE DETAILS

Year ended 31 December 2014

1.1 Trustees

Mr Paul McMaster	Chair
Mr Gareth Barrett	
Mr Oliver Behn	resigned 17 May 2014
Mr James Copeland	resigned 17 May 2014
Ms Fiona Dudley	resigned 19 December 2014
Ms Preea Gill	
Mr Colin Herrman	appointed 7 February 2014
Ms Victoria Kellthy	
Mr Dennis Kerr	resigned 24 August 2014 re-appointed 11 October 2014
Mr Jean-Marie Kindermans	resigned 21 March 2014
Mr Tom Skrinar	appointed 17 May 2014
Ms Elizabeth Smith	resigned 17 May 2014
Ms Heidi Quinn	appointed 17 May 2014
Mr Willem Diderik Van Halsema	
Mr Peter Young	

1.2 Executive Director

Mr Marc DuBois	resigned 2 March 2014
Mr Jehangir Ghandhi	appointed 3 March 2014 (interim Executive Director) resigned 18 May 2014
Ms Victoria Hawkins	appointed 19 May 2014

1.3 Company Secretary

Mr Jehangir Ghandhi

1.4 Main advisors to the charity are:

<i>Auditors:</i> KPMG LLP 15 Canada Square London E14 5GL	<i>Bankers:</i> Bank of Scotland 38 Threadneedle Street London EC2P 2EH	<i>Solicitors:</i> Bates, Wells & Braithwaite 10 Queen Street Place London EC4R 1BE
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2 STRUCTURE, GOVERNANCE AND MANAGEMENT

2.1 Constitution

Médecins Sans Frontières (UK) was set up as a registered charity (Charity number 1026588) and a company limited by guarantee (Company number 02853011) in September 1993.

The governing document is the Memorandum & Articles of Association, where the objects are set out as: "to relieve and promote the relief of sickness and to provide medical aid to the injured and to protect and preserve good health by the provision of medical supplies, personnel and procedures calculated to overcome disease, injury or malnutrition in any part of the world and in accordance with the principles espoused by the International Council of Médecins Sans Frontières in October 1990."

2.2 THE CHARTER OF MEDECINS SANS FRONTIERES

- Médecins Sans Frontières offers assistance to populations in distress, to victims of natural or man-made disasters and to victims of armed conflict, without discrimination and irrespective of gender, race, religion, creed or political affiliation.
- Médecins Sans Frontières observes neutrality and impartiality in the name of universal medical ethics and the right to humanitarian assistance and demands full and unhindered freedom in the exercise of its functions.
- Médecins Sans Frontières' volunteers undertake to respect their professional code of ethics and to maintain complete independence from all political, economic and religious powers.
- As volunteers, members are aware of the risks and dangers of missions they undertake, and have no right to compensation for themselves or their beneficiaries other than that which Médecins Sans Frontières is able to afford them.

2.3 Trustees and Executive

The Médecins Sans Frontières UK (referred to as MSF UK) trustees in office during the period and at the date of this report are set out on page 2. Up to four trustees can be co-opted to the Board and the members of the company elect the remainder at the Annual General Meeting.

The MSF UK Association is an unincorporated association whose membership is made up of personnel who work or who have worked for MSF. If there is a vacancy on the Board of Trustees, the Association is invited to elect one of its members to fill that position. New trustees are invited to attend training courses and seminars on trustee responsibilities conducted by external providers. Issues arising on trustees' responsibilities are regularly discussed at board meetings.

The trustees are responsible for the appointment of the Executive Director who leads MSF UK's management team and is responsible for the implementation of the long-term vision and strategy MSF UK, and for the running of the office.

During 2014, the Trustees have implemented a policy on conflict of interest. At appointment, and at each Board meeting, all Trustees declare if they have any interest or employment, or if they receive gifts or hospitality which might conflict with their role as a Trustee of MSF UK.

2.4 International Organisational Structure

Initially founded in Paris in 1971, MSF has become an international organisation. The MSF movement has 24 Associations across the world, as well as a number of non-associated offices; all the MSF sections and offices agree to abide by the principles of the International Charter of MSF. There is an International Office located in Geneva, Switzerland. Management of MSF projects is shared via five Operational Centres based in Amsterdam, Barcelona, Brussels, Geneva and Paris.

The MSF sections and offices work in collaboration with one another and meet regularly through various forums to discuss operational issues. Resource provision between the entities is at arm's length and all the sections are separate legal entities.

MSF UK was set up in 1993 to recruit volunteers, provide information and raise funds to support MSF operations worldwide. We also provide specialist technical support, speak out on behalf of the people we are helping, and we also contribute to the running of field operations, primarily under the umbrella of Operational Centre Amsterdam (OCA).

We have increased our participation in the international governance of the MSF movement and as a partner of OCA. Since 2013 the UK Chair has been the Chairman of the OCA Council, and the UK Treasurer has been a member of the Audit Committee of OCA (MSF Holland). These increased international commitments enable us to have a greater influence and control over charitable activities worldwide.

2.5 Risk Management

The Board of Trustees, together with the Management Team of the charity, have undertaken a detailed annual review of the major risks which the charity faces and have a risk register. From the results of this review, the trustees believe that sufficient controls are in place to minimise financial risk. We also believe that, due to the simple nature of the UK business, a separate internal audit function is not necessary in 2014.

Other operational and business risks were also reviewed, particularly bearing in mind the unavoidable dangers that the personnel recruited by the UK office to work overseas are often exposed to. All possible safeguards are put in place in the field to avoid any security incidents, and the organisation places great emphasis on negotiating with all parties in a given context to get safety assurances.

The Board has established an Audit Committee chaired by the Treasurer which includes an overview of risk management and requirement for an internal audit function on an annual basis as part of its terms of reference.

3 AIMS AND OBJECTIVES FOR THE PUBLIC BENEFIT

MSF is a leading international non-governmental organisation which provides independent medical relief to victims of war, disasters and epidemics in more than 60 countries around the world. We strive to provide assistance to those who need it most, regardless of ethnic origin, religion, gender or political affiliation.

To get and maintain access to and care for the most vulnerable, MSF's operational policies must remain scrupulously independent of governments, as well as religious and economic powers. We rely on private individuals for the majority of our funding. In the field, we conduct our own assessments, manage projects directly and monitor the impact of our aid. We advocate locally and internationally for greater respect for humanitarian law and the right of civilians to impartial humanitarian assistance. We also campaign for fairer access to medicines and healthcare for the world's poorest people.

MSF depends to a large extent on volunteers to deliver its mission. Each year around 2,500 qualified professionals of all nationalities – mostly doctors and nurses, but also logisticians, engineers, managers and administrators – leave on field assignments. They work closely with tens of thousands of local staff whose work is of equally vital importance.

The Trustees confirm that they have referred to the Charity Commission guidance on Public Benefit when reviewing the Trust's aims and objectives and in setting the grant making policy for the year and in planning future activities.

4 ACHIEVEMENTS AND PERFORMANCE 2014

4.1 UK Office Activities

MSF UK acts as part of the global network of 21 MSF sections worldwide; we make a contribution to the running of field operations, primarily through a partnership with MSF Holland and MSF Germany under the umbrella of Operational Centre Amsterdam (OCA). In 2014, OCA ran emergency medical projects in 26 countries, just under half of which are in Africa and the remainder largely in Central and South Asia.

In 2014 we gave 54% of the funds we raised to support the work of OCA and 42% to Operational Centre Brussels; smaller amounts were given to the Operational Centres in Barcelona and Paris.

Private donations are essential to MSF's operational capacity, flexibility and independence. In 2014 the MSF UK Fundraising team raised a total of £41.1m in private income, which is a 23% increase over the previous year. Regular donations increased by 7% to £11.3 million. Such donations account for 35% of our unrestricted private income. For every pound spent on fundraising in the UK in 2014, we raised over £10 of private income, which is considerably above the normal return for UK charities.

Restricted income was particularly high in 2014. This was primarily due to the £5.9m of restricted income that was donated towards our intervention in the Ebola crisis in the west African countries of Sierra Leone and Liberia.

2014 was again a year in which the UK office made extensive contributions to field operations, both in terms of direct operational support and in terms of resources delivered. It also showed a mounting recognition within the MSF movement of the role played by MSF UK in terms of medical programming, advocacy and communications.

The number of field staff placed by our Human Resources department was 204 in 2014, compared to 174 in 2013. The Communications team works to raise awareness of humanitarian crises among the general public and key decision makers. In addition, experienced personnel from several other departments in the UK office regularly provide direct support to field teams in their areas of expertise.

A specialist medical team known as the Manson Unit works directly with the field projects to help solve urgent clinical problems. Over the past year they have supported emergency medical operations in the West Africa Ebola outbreak, in South Sudan and

Ethiopia. They are developing a programmatic approach to hepatitis C management, as well as tuberculosis (TB) implementation of new drugs, and improving care for children with drug resistant TB. The clinical trial into new methods of treating drug resistant TB is moving towards the first rounds of recruitment. The Manson Unit has continued to innovate via projects such as 'Missing Maps' and the use of tablet computers in Ebola treatment centres. MSF Scientific Day led by this unit reached over 3,000 people in more than 100 countries and received excellent feedback.

In 2014, our Programmes Unit continued to focus on medical advocacy and issues concerning emergency response. It offered direct operational support to projects in South Sudan, Central African Republic, Sierra Leone, Uzbekistan and the Ukraine as well as those around Syria. We also delivered targeted advocacy on health and humanitarian issues toward the UK Government, INGOs and other stakeholders. The unit published a major report – "Where is Everyone" – which highlights the deficits in emergency response within the aid system. We launched a project on defining vulnerabilities within populations we aim to serve. In addition, we supported the advocacy, public representation, and lobbying efforts surrounding the Ebola crisis and offered ongoing operational support to this exceptional crisis.

Finally, the sterling work of the network of university student societies, the 'Friends of MSF', is noteworthy. At the end of 2014 there were around 34 such societies at universities around the UK, primarily made up of medical students. As well as providing a pool of future medical field staff for the organisation, the Friends' societies also are very active in raising money for MSF's field work and helping to raise awareness among UK students of the challenges MSF faces in the field.

To raise awareness of the work of MSF amongst students and young people, a series of multimedia teaching and learning resources for A level Biology, A level Geography and French language study have been developed. They are available on the MSF UK and Times Educational Supplement websites, where they have been downloaded thousands of times.

4.2 Voluntary help and support

The trustees are particularly grateful to the personnel that we sent out to field projects during the year. They are all prepared to accept a very small remuneration, which is far below what they could earn if they stayed in the UK. We could not continue our work without them.

We are also grateful to the many volunteers who give up their time to help out in the office. During 2014, volunteers provided a total of approximately 1,508 days (2013: 1,586 days) of time. We are extremely appreciative of their support and willingness to help out with any task.

4.3 Overview of International Operations

This section provides an overview of the work of Médecins sans Frontières operations worldwide. In 2014, MSF's programmes continued to provide essential medical services, for free, in some of the world's most remote and dangerous areas, responding to natural disasters and epidemics, treating the victims of war and sexual violence, providing care for those with HIV and tuberculosis (TB), and lobbying for more funding and research into diseases such as sleeping sickness and kala azar, which cause huge numbers of deaths yet receive scant attention in the West.

Security remained a pressing issue in many parts of the world, and in certain countries our staff faced challenging security risks. In January, five non-UK MSF volunteers were abducted in northern Syria and held captive by an armed group; after five months they were released. Incidents such as these are a chilling reminder of the risks MSF staff face working in conflict environments.

The Ebola epidemic in west Africa

In 2014 our staff faced unprecedented challenges in relation to MSF's intervention in the Ebola outbreak in West Africa. The Trustees express their gratitude for the dedication of our national and international staff who, in very difficult circumstances, responded to this epidemic.

Since the Ebola outbreak in West Africa was officially declared on 22 March 2014 in Guinea, it has claimed more than 9,000 lives in the region. The outbreak is the largest ever, and is principally affecting three countries in west Africa: Guinea, Liberia and Sierra Leone.

MSF has a multi-pronged strategy to help control the outbreak. We have built and equipped Ebola management centres and made our training centres and materials available to other agencies. We are supporting the collapsing healthcare systems in west Africa, deploying teams to hotspots, raising community awareness and tracing contacts. We have lobbied the United Nations, the World Health Organization and Western governments to step up their responses, and we are assisting in research efforts to find a vaccine or treatment for the disease.

MSF's West Africa Ebola response started in March 2014. By the end of December we were employing 302 international and around 3,600 locally hired staff in the region, operating eight Ebola management centres and two transit centres with approximately 650 beds in isolation. Since the beginning of the outbreak, MSF had admitted more than 7,700 patients, among whom around 4,800 were confirmed as having Ebola. More than 2,200 of these patients survived.

In order to address a deeply troubling consequence of the Ebola outbreak in west Africa, MSF has distributed more than two million antimalarial treatments in Liberia and Sierra Leone, a crucial medical intervention in countries where the basic healthcare system has collapsed in recent months. Malaria is endemic in west Africa, but basic healthcare such as malaria treatment is now very difficult to find. MSF's programme is designed to both prevent and treat new malaria cases, and to minimise the number of people with malaria at Ebola management centres.

Conflict in South Sudan

The conflict that erupted on 15 December 2013 in South Sudan has displaced more than one million people within the country, while some 400,000 people are seeking refuge in countries bordering South Sudan, according to UN figures.

The conflict has also led to the destruction of medical and other civilian structures, leaving many existing health facilities non-functional, without medical supplies or staff, as health workers fled for their lives.

Prior to the outbreak of the current conflict, MSF had been working continuously in South Sudan for the past 30 years. The humanitarian situation in the country was already dire and access to sparse healthcare facilities was limited, with more than 80 percent of medical services provided by international organisations.

At present, MSF operates 22 projects in seven of the ten states of South Sudan, including Unity, Upper Nile and Jonglei states where the conflict has taken a particularly heavy toll on the population. MSF runs the only hospital in Abyei, a disputed area on the border between Sudan and South Sudan, and we are also running programmes to provide healthcare to the South Sudanese refugees in neighbouring countries. Our teams are responding to various health needs including surgery, obstetrics, malaria, kala azar, vaccinations against preventable diseases and malnutrition.

During 2014 there has been intense fighting in Bentiu, capital of Unity state. In April, MSF dispatched an additional surgical team and medical supplies to reinforce the existing team in Bentiu; more than 230 wounded people were treated for gunshot wounds. Thousands fled to a camp managed by the UN's mission in South Sudan, which swelled from 6,000 people to more than 40,000 within a matter of days. Located in a swampy area, for much

of August people were living knee-deep in floodwater contaminated with raw sewage. Many slept standing up, their children in their arms. MSF runs a hospital within the camp with maternity, paediatric and TB wards; outside the camp, MSF runs twice-weekly mobile clinics in Bentiu town.

MSF has more than 3,300 local staff and 350 international staff working in South Sudan.

Refugee crisis in & around Syria

Now into its fourth year, the war in Syria has killed more than 150,000 people and driven upwards of 9 million people from their homes – more than 2.8 million of whom have fled the country, and more than 6.5 million of whom are displaced inside its borders.

The humanitarian needs of this population are immense and growing. MSF has been working to provide aid inside Syria since March 2011, although those efforts have been limited by security concerns and access issues. At the same time, MSF continues to work in Lebanon, Jordan and Iraq with Syrian refugees.

In Syria, the health system has collapsed and responding to the medical needs has become extremely difficult. Following the abduction of five non-UK MSF staff, who are now all released, MSF had to close two hospitals at the start of 2014 and reduce some activities. Nevertheless MSF is determined to provide medical assistance wherever possible and is currently supporting four hospitals, two outpatient clinics as well as mobile clinics inside Syria. Our teams have performed 368,589 medical consultations and 5,599 surgeries in and around Syria since the conflict began. We have also delivered 1,516 babies inside Syria.

Conflict in the Central African Republic

Escalating and extreme violence in the Central African Republic (CAR) over the year resulted in a massive, acute humanitarian crisis in addition to an existing chronic medical one.

For over 20 years, the small landlocked country of CAR has witnessed many political and military crises. Continual population displacement caused by pockets of armed conflict, combined with a poorly resourced, dysfunctional healthcare system, prevents people from obtaining the treatment they need. Many die from easily preventable and treatable illnesses such as malaria, respiratory infections and diarrhoeal diseases. Prior to the current conflict, mortality rates in some regions were up to five times the emergency threshold.

In response to this chronic medical crisis, MSF was providing basic healthcare through seven comprehensive projects – at Batangafo, Boguila, Carnot, Kabo, Ndélé, Paoua and Zémio – when the current emergency began to unfold. Violent fighting broke out in the capital, Bangui in December 2013 and violence has spread through much CAR during 2014. Much of the country has been affected, with extreme levels of violence occurring in Bangui.

Despite some interruptions due to insecurity, our projects have adapted and continue to provide medical care to people in the communities, and to respond to localised emergencies caused by population displacement. Teams offer basic and specialist healthcare, mental health consultations, maternity, paediatric and nutritional services, surgery and HIV and tuberculosis (TB) care.

Nineteen civilians, including three Central African MSF national staff members, were killed during an armed robbery in the grounds of MSF's hospital in the northern town of Boguila, during April. After the tragedy, MSF reduced its activities to essential services only. The risks associated with delivering medical and humanitarian aid are still high.

Essential healthcare in Afghanistan

MSF works in a number of locations in Afghanistan, employing a total of some 1,500 staff; we first worked in Afghanistan in 1981.

In Khost city, we are running a maternity hospital where more than 1,100 women are helped to give birth safely each month. Elsewhere, MSF runs a trauma centre in Kunduz, in the north, and works alongside the Ministry of Public Health in Ahmad Shah Baba district hospital, in eastern Kabul, and Boost provincial hospital, in Lashkar Gah, Helmand province.

In all locations, MSF provides medical care free of charge and the hospitals strictly observe a no-weapons policy. MSF relies only on private funding for its work in Afghanistan and does not accept money from any government.

During the summer of 2014, tens of thousands of people fleeing major military operations in the Pakistani region of North Waziristan crossed the border into Afghanistan, seeking refuge. In Khost province, most of the refugees are hosted by the local community, but an estimated 1,770 families have settled in Gulan refugee camp, about 19 km from the Pakistani border.

In July, MSF teams set up a clinic just outside the camp. The area from where the refugees fled has very low vaccination coverage, so MSF teams have prioritised vaccinating children between 6 months and 15 years old against measles, a deadly disease that can spread rapidly within refugee camps.

With living conditions in the camp far from adequate, MSF's teams are also focusing on building latrines and showers, while continuing to address the medical needs of the refugees.

In February 2014, MSF published a report titled "Between Rhetoric and Reality: The Ongoing Struggle to Access Healthcare in Afghanistan" based on information collected in locations where MSF teams have operated.

Gaza and the Occupied Palestinian Territories

Unrelenting violence in Gaza and the West Bank continues to have medical, psychological and social consequences for Palestinians.

The Israel–Palestine conflict and inter-Palestinian violence has increased people's need for medical and psychological care, and has reduced the availability of drugs, medical equipment and services to treat them. MSF runs programmes in the Occupied Palestinian Territories aimed at meeting the needs not covered by the Palestinian health system.

In Gaza, MSF focuses on plastic surgery, reconstructive surgery and hand surgery for patients suffering from serious burns, trauma and other debilitating injuries. MSF specialist surgeons, anaesthetists and operating theatre nurses work alongside Palestinian colleagues in the two main public hospitals. Most patients are children with burns injuries caused by domestic accidents, as electricity shortages force people to find alternative means of cooking and heating their homes. MSF runs a clinic in Gaza City offering post-operative care, including physiotherapy and dressings, to help patients rehabilitate from their surgery.

On 8 July 2014, Israel launched a military operation which it designated Operation Protective Edge Gaza Strip. This was followed by 7 weeks of ground fighting and bombardment by both sides. Of the more than 2,000 deaths, 500 were children. MSF provided support to Al-Shifa hospital, the largest hospital in Gaza. Dr Kelly Dilworth, a paediatric anaesthesiologist, described the situation: "What was most difficult was going from one sleepless night to the next, treating seriously wounded people who arrived by the dozens, without knowing when it would all stop. Our Palestinian colleagues did amazing work, but that was just too much."

Access Campaign

MSF aims to bring the best medical care possible to some of the most disadvantaged people on earth. But our medical teams are often hindered in delivering that optimised care. In 1999, in the wake of our being awarded the Nobel Peace Prize, MSF launched the Access Campaign. Its purpose has been to push for access to, and the development of lifesaving and life prolonging medicines, diagnostic tests and vaccines for patients in MSF programmes and beyond.

From the start we faced two major challenges: the high cost of medicines currently available and the absence of appropriate treatments for many of the diseases that affect patients in the areas where we work. That is why we adopted a two-track solution to the problem. On the one hand, we challenged the high costs of existing drugs – such as those to treat HIV/AIDS – and worked to bring prices down. On the other hand, we focused on stimulating research into new medicines for neglected diseases such as TB, sleeping sickness, kala azar and Chagas disease.

The work of the Access Campaign, together with many other actors, has brought about significant advances over the last few years:

- Large-scale treatment of HIV with generic antiretroviral (ARVs) drugs has become a reality and an international priority.
- An effective malaria therapy, known as artemisinin-based combination therapy (ACT), has been introduced in most African countries.
- Treatment of people with multidrug-resistant tuberculosis (MDR-TB) has become an international public health priority.
- The Access Campaign has raised awareness of the urgent need for new ways to tackle the most neglected diseases, such as sleeping sickness, leishmaniasis and Chagas disease.

During 2014, the Access Campaign also issued more than 30 press releases and 13 reports and briefings. These covered a wide variety of topics – among others, international trade policy; diagnosis and treatment of HIV/AIDS, TB and hepatitis; affordability and adaptation of vaccines; the Global Fund; and Ebola.

5 FINANCIAL REVIEW

5.1 Grant-making Policy

The allocation of grants from unrestricted income is decided on the basis of needs identified by Médecins sans Frontières' Operational Centre Amsterdam and Operational Centre Brussels. In certain cases, grants from unrestricted income are allocated according to specific requests made by other MSF sister organisations. Grants derived from non-institutional restricted income are allocated to MSF sister organisations according to the agreements with the donors.

The financial data in this report refer to MSF UK grants to support MSF programmes implemented internationally via Operational Centre Amsterdam and other MSF sister organisations.

5.2 Fundraising Activities

Key Performance Indicators

During the year, the Médecins sans Frontières (UK) had total incoming resources of £44.1m (2013: £36.0m) from the general public, provision of staff to the field and bank interest; an increase of 23% from 2013. This is mainly a result of a significant increase in restricted income from the emergency appeal for the Ebola crisis where MSF was the major implementing agency and an increase in unrestricted income due to the increased publicity MSF received during the year. As was the case in 2013, we received no government funding in 2014.

Regular gifts by direct debit and standing order are the core of MSF UK's financial growth and security. They deliver a predictable flow of funds, which can be used according to

need, and which are not reliant on media attention. Regular giving is the bedrock of MSF's financial independence. In 2014 donations by direct debit and standing order were £ 11.3m (2013: £10.6m). Despite the difficult economic climate we have maintained our income from our loyal long-term committed supporters.

The percentage of UK expenditure covered by regular gifts is 154% (2013: 186%). The cost of raising £1 for private funds is 9.5 pence (2013: 7.5 pence) which is extremely efficient when benchmarked against equivalent charities.

Loyalty is a key goal of our fundraising work, and in 2014 MSF UK maintained our commitment to send relevant and interesting information to our supporters, providing reports on how funds are spent. This is part of our Supporter Promise, published on the MSF UK website, which includes commitments not to share personal data of supporters with other organisations nor to send constant fundraising appeals to our donors. The increase of spontaneous giving is due to the increased media coverage of MSF's work.

Restricted private donations of £9.3m (2013: £5.3m) represent a significant increase over the prior year. The increase was primarily due to restricted funds for the Ebola emergency in West Africa. Much of the funding for the Ebola emergency was raised in the latter part of 2014. Due to the timing of these funds late in the year, £2.7m of the £5.9m raised for the emergency will be spent in 2015.

Legacy income has seen a decrease from £10.4m to £6.6m. The timing of legacy income is unpredictable.

The year saw an increase in fundraising expenditure from £2.5m to £3.9m. New initiatives included implementing a programme to increase supporter loyalty across all donor segments and preparing for major emergencies through integrated campaigns.

5.3 Reserves Policy

Designated Reserves

Accrued legacy income is not received or expendable until after the year end so the Trustees have designated these funds for future commitment to projects in the field when received.

General reserve

The policy approved by the Trustees is to maintain the unrestricted reserve an amount equivalent to 4.5 months of budgeted UK expenditure. For 2014, the UK expenditure budget was £7.6 million (2013 - £5.7m) and the unrestricted reserve at 31 December 2014 stood at £6.9 million (2013 - £2.1m). This is equivalent to 11 months expenditure (2013 - 4.3 months). The excess of the general reserve over the target reserve is primarily due to generosity of the UK public following the unprecedented publicity that resulted from MSF's intervention in the Ebola crisis in the latter months of 2014. The Trustees are committed to restore the unrestricted reserve to the target level as soon as is practicable, bearing in mind the necessity to spend donor funds in a responsible manner.

Restricted reserve

The exceptionally high level of restricted reserve is a result of a significant increase in donations received in the last five months of the year, in the context of the Ebola crisis. MSF's intervention in the Ebola crisis and its aftermath will continue well into 2015 and beyond. Some of the funds raised for this crisis in the final months of the 2014 remain in the restricted reserve at the year end, and will be spent in the coming year.

5.4 Statement of Recommended Practice (SORP) 2005

The annual report and accounts for the year ended 31 December 2014 have been prepared in accordance with the Governing document of MSF and in compliance with the Companies Act 2006, the Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) and with applicable accounting standards.

6 FUTURE OUTLOOK

Led by the incoming Executive Director, Victoria Hawkins, Médecins sans Frontières (UK) is developing an exciting strategic plan for the years 2015-2019. This plan will be finalised during 2015.

In 2015 we will be focusing on the following priorities:

- To have clearly allocated responsibility for delivering on strategic operational objectives on behalf of our primary partner, Operational centre Amsterdam, directly contributing to increasing MSF medical impact and reach.
- To develop our reputation as the leading humanitarian aid provider in emergencies with a large, loyal supporter base, with 10% annual growth in private income targets from 2014, and significant influence in UK society.
- To orientate our field recruitment processes towards quality over quantity with the aim of recruiting talent and ultimately developing MSF-UK staff towards senior positions in the MSF movement.
- To enhance our culture of a high-performing work-force, enabled by appropriate working conditions.
- To remain a field-focused MSF-section with a high level of field presence from key non medical departments, and in particular the programmes and communications departments
- To strengthen our partnership with our primary partner, Operational Centre Amsterdam, and strengthening our relationship with our secondary partner, Operational Centre Brussels.

All of the above objectives will build on the success achieved by us during 2014 which, partly in relation to the Ebola crisis, generated unprecedented levels of coverage and support. On the basis of this success, we envisage a period of investment to further build both our direct operational involvement and the profile and awareness of our work. In turn this will provide for a more effective and enhanced MSF response for populations suffering crisis around the world.

The London office will locate to new premises during 2015. The Trustees place a very high value on the contribution of our staff and volunteers, and we are committed to providing an efficient working environment for them in the new office.

7 AUDITOR

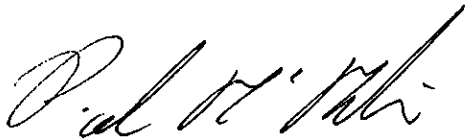
Disclosure of Information to Auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In accordance with Section 485 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditors is to be proposed at the forthcoming Annual General Meeting.

Approval of the Trustees report, which constitutes the Strategic Report and the Directors' report.

By order of the Board



Paul McMaster
Chair

Date: 20th March 2015

Registered Office:
67-74 Saffron Hill,
London, EC1N 8QX

Statement of Trustees' responsibilities in respect of the trustees' annual report and the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Médecins Sans Frontières (UK) Limited

We have audited the financial statements of Médecins Sans Frontières (UK) for the year ended 31 December 2014 set out on pages 17 to 32. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial reporting council's website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information in the Trustees' Annual Report, which constitutes the Strategic Report and the Directors' report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit



Ian Pennington (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

24th March 2015

15 Canada Square
London E14 5GL

Statement of Financial Activities

(incorporating an income and expenditure account)

for the year ended 31 December 2014

		Unrestricted	Restricted	2014	2013
				Total	Total
	Note	£'000	£'000	£'000	£'000
Incoming Resources					
Incoming resources from generated funds:					
Voluntary income					
Donations, legacies and similar income	3	31,791	9,270	41,061	33,544
Income from other charitable activities	4	3,013	-	3,013	2,424
Investment income	5	12	-	12	14
Other income	3	9	-	9	4
Total incoming resources		<u>34,825</u>	<u>9,270</u>	<u>44,095</u>	<u>35,986</u>
Resources Expended					
Costs of generating funds					
Costs of generating voluntary income	6	3,897	-	3,897	2,473
Charitable activities					
Operational programmes	7	27,506	6,932	34,438	31,518
Governance costs	8	109	-	109	81
Total resources expended		<u>31,512</u>	<u>6,932</u>	<u>38,444</u>	<u>34,072</u>
Net income for the year	9	3,313	2,338	5,651	1,914
Fund balances brought forward at 1 January	16	<u>4,782</u>	<u>633</u>	<u>5,415</u>	<u>3,501</u>
Fund balances carried forward at 31 December	18	<u><u>8,095</u></u>	<u><u>2,971</u></u>	<u><u>11,066</u></u>	<u><u>5,415</u></u>

There are no recognised gains and losses other than those in the statement of financial activities. Therefore no statement of total recognised gains and losses has been prepared.


The notes on pages 20 to 32 form part of these financial statements.

Balance Sheet

at 31 December 2014

	Note	2014	2013
		£'000	£'000
Non-current assets			
Fixed assets	13	77	46
Investment	12	-	-
		<u>77</u>	<u>46</u>
Current assets			
Debtors	14	3,788	4,651
Cash at bank and in-hand	22	13,983	6,990
		<u>17,771</u>	<u>11,641</u>
Creditors			
Amounts falling due within one year	15	(6,782)	(6,272)
Net current assets		<u>10,989</u>	<u>5,369</u>
Net assets	18	<u>11,066</u>	<u>5,415</u>
Funds			
Unrestricted - General	16	6,942	2,059
- Designated	16	1,153	2,723
Restricted	17	2,971	633
Net funds		<u>11,066</u>	<u>5,415</u>

These financial statements were approved by the board of trustees on the 20th March 2015 and were signed on its behalf by:



Tom Skrinar
Treasurer



Paul McMaster
Chair

The notes on pages 20 to 32 form part of these financial statements.

Cash flow statement

for the year ended 31 December 2014

	Note	2014 £'000	2013 £'000
Cash flow from operating activities	21	7,045	145
Return of investments and servicing of finance			
Interest received	5	12	14
Capital expenditure and financial investment			
Purchase of fixed assets	13	(64)	(9)
		<hr/>	<hr/>
Increase in cash in the year	22	6,993	150
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 20 to 32 form part of these financial statements.

Notes (forming part of the financial statements)

1 Legal status

Médecins Sans Frontières (UK) is a registered charity and a company limited by guarantee. On winding up each person who is a member at that date is liable to contribute a sum not exceeding £1 towards the assets of the company. As at 31 December 2014 the company has 427 (2013: 397) members.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities (March 2005), and under the historical cost convention.

Donations

Donated income (including committed giving) is recognised when it becomes receivable. Where specific instructions are received from the donor relating to the usage of the donation for a specific country or purpose, the amounts are accounted for within restricted income. Donated goods or services are included in other donations, but only if these would otherwise have been purchased by the charity, and are valued at the lower of what the charity would have paid or the cost to the donor. Tax on covenant or gift aid donations is reclaimed either by the charity or by the charity's agents and is accounted for in the period of the associated gift.

Grants payable and receivable

Grants from the Department for International Development (DFID) and other institutional donors are accounted for on a receivable basis.

When receiving these grants MSF UK is acting as an intermediary charity between the funding agencies, as listed above, and other MSF offices, namely MSF Belgium, MSF France, MSF Holland, MSF Spain and MSF Switzerland. However, MSF UK signs the contracts with the funding agency and is therefore acting as principal and accepts responsibility for their charitable application.

- The proportion of grant recognised as income at the year-end is equivalent to the grant expenditure at that date, as it is considered that this is when the grant conditions have been met.
- Where, at the year-end, grants received are potentially repayable these show in creditors as 'grants authorised' and in debtors as 'amounts contracted with sister organisations.'
- Where income/expenditure has occurred but the grant has not yet been received, but has been requested within the year or within one month of the year-end, this is shown in debtors as 'amounts due from DFID' and in creditors as 'amounts owed to sister organisations not yet received.'
- Where income/expenditure has occurred but the grant has not yet been received, and has not yet been requested from DFID or other institutional donors, this is shown in 'other debtors' and in creditors as 'grants contracted to sister organisations.'
- Where a grant agreement has been signed directly between a sister organisation and a funding agency the income and expenditure is not recognised by MSF UK as MSF UK acts only as a conduit for these funds. Where these amounts are outstanding at the year-end they are shown as 'conduit funds received not yet transferred to sister organisations.'

The grant payable is recognised in the accounting period when expenditure in accordance with the grant conditions is met.

Legacies

Legacy income is recognised on a receivable basis when MSF UK can reliably estimate the amount due, is certain of receipt and has confirmation of entitlement. The recognition of legacy income in the accounts is dependent on the type of legacy; pecuniary legacies are recognised upon notification of entitlement, for example on grant of probate, and residuary legacies are recognised on the earlier of cash received or agreement of the final estate accounts up to the date of the signing of the financial statements. Legacies subject to the life interest of another party are not recognised.

Income from supply of staff to overseas projects

Income associated with the invoicing of sister organisations for the costs of recruitment and remuneration of personnel working in our projects overseas are accounted for on a receivable basis.

Notes (continued)

2 Accounting policies (continued)

Cost of generating funds

Fundraising costs include expenses incurred in attracting donations, legacies and similar incoming resources, both private and institutional, and the costs of activities for income generation. They also include costs associated with raising the profile of the charity.

Charitable expenditure

Operational programmes consist of donations received in the UK that are transferred to sister organisations to fund aid projects.

Operational support includes costs associated with the recruitment of personnel to work in our projects overseas; costs associated with advocacy and publicity issues related to our work overseas and promotions of an educational manner; costs associated with our medical department which provides medical expertise directly to our field projects; and costs associated with our programme support team which includes representation to the UK government.

Support costs include all costs relating to management and administration including the salary costs of the Executive Director and the Head of Finance.

Overhead costs such as office rent & service charges, depreciation, IT, stationery, general office and communications costs are apportioned to each department. The basis for this apportionment is the number of full-time equivalent positions in each department during the year.

Governance Costs

In accordance with SORP 2005, Governance Costs are shown separately. These include the costs of the strategic governance of the charity, such as the costs of audit, trustees' meetings and insurance.

Taxation

Médecins Sans Frontières (UK) is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2013 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Purpose of funds

All restricted funds are for specific humanitarian projects in particular areas of the world. The charity also holds certain restricted funds raised through appeals for emergency relief provision in times of crisis.

Unrestricted funds consist of donations for general use by the organisation. This fund is available for use to meet possible shortfalls in revenue and unforeseen increases in expenditures.

Fixed assets and depreciation

Assets that cost over £1,000 are capitalised as fixed assets and depreciation is provided to write off the cost of the asset in equal annual instalments over their useful economic lives as follows:

Furniture, office equipment & structural alterations	4 years
Computer hardware and software	3 years

Any donated assets are included as general donations at their estimated value and depreciated in the normal way.

Intangible fixed assets have been capitalised at cost.

Liabilities

Liabilities are recognised on an accruals basis.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on transactions are included in the statement of financial activities.

Operating leases

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the period of the lease.

Notes (continued)

2 Accounting policies (continued)

Pensions

The company contributes to employees' defined contribution personal pension schemes. The amount charged to the profit and loss account represents the contributions payable in respect of the accounting period.

Investments

The charity does not have Fixed Asset investments, other than an investment of £1 in MSF Enterprises Limited, which is valued at its par value.

3 Donations, legacies and similar income

	Unrestricted Funds £'000	Restricted Funds £'000	2014 Total £'000	2013 Total £'000
Donations, legacies and similar income				
Appeals	7,320	2,543	9,863	5,907
Legacies	6,576	2	6,578	10,383
Corporate	1,580	992	2,572	1,750
Trust	2,774	4,871	7,645	3,002
Committed Giving	11,051	298	11,349	10,605
Other donations	2,490	564	3,054	1,897
	31,791	9,270	41,061	33,544
Other income	9	-	9	4
	31,800	9,270	41,070	33,548

MSF UK is aware of potential future legacy income for further amounts estimated at £8,283,000 (2013 £3,181,000); this total includes a single legacy of £6.6 million. However, for these amounts the estimate of what will be received is not sufficiently reliable, or there is uncertainty with regard to the entitlement, thus this is not recognised in the figures above.

4 Income from other charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	2014 Total £'000	2013 Total £'000
Income from supply of staff to overseas projects	3,013	-	3,013	2,424

Notes (continued)

5 Investment income

	Unrestricted Funds £'000	Restricted Funds £'000	2014 Total £'000	2013 Total £'000
Bank interest	12	-	12	14
	<hr/>	<hr/>	<hr/>	<hr/>

6 Costs of generating voluntary income

	Unrestricted Funds £'000	Restricted Funds £'000	2014 Total £'000	2013 Total £'000
Salaries, Pensions & Tax	693	-	693	510
Travel & Subsistence	20	-	20	16
Other Personnel Costs	23	-	23	21
Office Costs (including depreciation)	156	-	156	108
Professional costs	48	-	48	28
Promotional costs	2,957	-	2,957	1,790
	<hr/>	<hr/>	<hr/>	<hr/>
	3,897	-	3,897	2,473
	<hr/>	<hr/>	<hr/>	<hr/>

Notes (continued)

7 Charitable Programmes - Operational programmes

	Unrestricted Funds £	Restricted Funds £	2014 Total £	2013 Total £
Funds allocated to MSF aid projects and campaigns				
Afghanistan	3,183	13	3,196	3,660
Iraq	33	17	50	-
Central African Republic	10	90	100	989
Chad	199	1	200	800
Democratic Republic of Congo	3,460	4	3,464	4,970
Ethiopia	1,650	226	1,876	-
Haiti	905	162	1,067	2,100
India	648	1	649	400
Jordan	750	65	815	125
Kenya	1,249	1	1,250	-
Liberia (see note below)	-	-	-	-
Mali	-	-	-	840
Mauritania	-	-	-	298
Myanmar	452	48	500	400
Niger	-	62	62	321
Nigeria	1,200	-	1,200	640
Pakistan	949	1	950	-
Palestine	-	175	175	2
Papua NG	1	1	2	80
Philippines	-	409	409	506
Sierra Leone (see note below)	1	4	5	-
Somalia	41	9	50	413
South Sudan	5,946	1,589	7,535	5,457
Syria Crisis	2	652	654	2,590
Uzbekistan	5	15	20	-
Ukraine	-	-	-	688
Zimbabwe	13	187	200	500
Ebola Crisis in West Africa (see note below)	-	3,200	3,200	-
Drugs for Neglected Diseases Initiative	105	-	105	56
Access to Essential Medicines Campaign	89	-	89	104
Total allocated to aid projects and campaigns	20,891	6,932	27,823	25,939

Note that in 2014 £3,200,000 of restricted funds was spent on the response to the Ebola crisis in West Africa. Of this sum, £1,748,000 was spent in Liberia and £1,452,000 in Sierra Leone.

Notes (continued)

Note 7 continued ...

	Unrestricted Funds £	Restricted Funds £	2014 Total £	2013 Total £
Carried forward from previous page	20,891	6,932	27,823	25,939
Medical & Programme Support				
Salaries, Pensions & Tax	836	-	836	713
Travel & Subsistence	109	-	109	111
Other Personnel Costs	36	-	36	28
Office Costs (incl depreciation)	138	-	138	118
Professional costs	78	-	78	43
Promotional costs	30	-	30	34
	1,227	-	1,227	1,047
Recruitment for Overseas Projects				
Salaries, Pensions & Tax	533	-	533	366
Travel & Subsistence	11	-	11	8
Other Personnel Costs	29	-	29	42
Office Costs (incl depreciation)	100	-	100	99
Professional costs	72	-	72	26
Promotional costs	15	-	15	8
	760	-	760	549
Témoignage & advocacy				
Salaries, Pensions & Tax	471	-	471	404
Travel & Subsistence	31	-	31	27
Other Personnel Costs	16	-	16	18
Office Costs (incl depreciation)	124	-	124	82
Professional costs	39	-	39	24
Promotional costs	109	-	109	119
	790	-	790	674
International staff				
Costs of employment of international staff	3,013	-	3,013	2,424
Support costs				
Salaries, Pensions & Tax	320	-	320	459
Travel & Subsistence	15	-	15	16
Other Personnel Costs	15	-	15	21
Office Costs (incl depreciation)	168	-	168	99
Professional costs	24	-	24	22
Promotional costs	10	-	10	7
Contribution to International Office expenses	273	-	273	261
	825	-	825	885
Total - Operational Programmes	27,506	6,932	34,438	31,518

Notes (continued)

8 Governance costs

	Unrestricted Funds £'000	Restricted Funds £'000	2014 Total £'000	2013 Total £'000
Costs of trustees' UK meetings	28	-	28	21
Costs of trustees attending overseas meetings	46	-	46	25
Professional liability insurance	6	-	6	6
Audit fees:				
- statutory audit	24	-	24	24
- international combined accounts	5	-	5	5
	109	-	109	81

In accordance with our governing document, the majority of trustees are elected from the membership of the MSF-UK Association. Costs of trustees UK meetings of £28,000 includes travel from the UK and from overseas to attend board meetings and a sum paid to the Chairman for MSF UK work (see Note 10).

MSF UK has continued to increase its participation in International Governance of the movement in fulfilling its obligations as a partner of Operational Centre Amsterdam (OCA). 2014 is the first full year where the UK Chair has also been the Chairman of the OCA Council, and the UK Treasurer has been on the Audit Committee of the OCA (MSF Holland). These increased international commitments enable MSF UK to have a greater influence and control over its charitable activities. This has also resulted in increased costs of attending overseas meetings.

9 Net movement in funds

Net movement in funds for the year is stated after charging:

	2014 Total £'000	2013 Total £'000
Depreciation	33	29
Hire of other assets – operating leases (note 19)	218	218
Auditor remuneration – statutory audit	24	24
Exchange losses / (gains)	78	9

10 Remuneration of directors/trustees included in Governance costs

The Chairman received remuneration of £ 8,656 for 69 days of paid work (2013: £8,563 for 68.5 days). The level of remuneration was agreed at the Annual General meeting and is sanctioned by the Memorandum and Articles of Association. None of the other directors/trustees received any remuneration during the period. £48,000 was reimbursed for directly incurred expenses to 11 trustees (2013: £28,000 to 12 trustees). In addition to this, trustee indemnity insurance has been purchased at a cost of £6,200 (2013: £6,000).

In addition to his remuneration as Chairman of MSF UK, the Chairman also received remuneration of £17,688 for 142 days (2013: £9,375 for 75 days) of work as Chairman of Operational Centre Amsterdam, which falls outside his MSF UK duties. This remuneration was approved by the Board of MSF UK, and paid for by MSF UK, in accordance with the Charity Commission guidelines.

Notes (continued)

11 Staff numbers and costs

The average number of UK contracted employees throughout the year, calculated on a full-time equivalent basis, was:

	Number of Employees	
	2014	2013
Private & Institutional Fundraising	16	14
Medical & Programme Support	14	13
Témoignage & Advocacy	10	10
Management & administration	7	8
Recruitment for overseas projects	12	11
UK staff in international projects	79	81
	<hr/> 138 <hr/>	<hr/> 137 <hr/>

The costs of employing those staff were:

	2014	2013
	£'000	£'000
Wages & salaries	3,848	3,486
Social security costs	365	325
Pension costs	362	209
	<hr/> 4,575 <hr/>	<hr/> 4,020 <hr/>

The number of employees receiving emoluments over £60,000 are:-

	2014	2013
£60,001 - £70,000	<hr/> 3 <hr/>	<hr/> 1 <hr/>
£70,001 - £80,000	<hr/> 0 <hr/>	<hr/> 1 <hr/>

Employer contributions to defined pension schemes on behalf of staff paid over £60,000 amount to £12,897.

12 Investments

The Charity owns 100% of the share capital in MSF Enterprises Limited, a company incorporated in England and Wales. MSF Enterprises Limited has been a dormant company for the accounting period. The Charity has not prepared consolidated accounts as the subsidiary is dormant. The authorised and called up share capital of MSF Enterprises is 1 ordinary share of £1.

Notes (continued)

13 Tangible Fixed Assets

Fittings, Furniture and other office equipment

	2014	2013
	£'000	£'000
Cost		
At beginning of period	501	492
Additions	64	9
Disposals	-	-
At end of period	565	501
Depreciation		
At beginning of period	455	426
Charge for the period	33	29
Disposals	-	-
At end of period	488	455
Net book value		
At end of period	77	46
At beginning of period	46	66

All assets are used for charitable purposes

14 Debtors

	2014	2013
	£'000	£'000
Amounts due from sister organisations	887	609
Legacies receivable	1,152	2,723
Accrued income	1,677	1,257
Prepayments and deferred charges	72	62
	3,788	4,651

Notes (continued)

15 Creditors: amounts falling due within one year

	2014	2013
	£'000	£'000
MSF sister organisation creditors	632	640
MSF sister organisation grants agreed	5,235	4,809
Other tax and social security	183	127
Other creditors	499	402
Deferred income	101	143
Accruals	132	151
	6,782	6,272

16 Unrestricted funds

	2014	2013
	£'000	£'000
General Reserve		
Balance at 1 January	2,059	2,753
Surplus for the year	3,313	1,306
Transfer from / (to) Designated Funds	1,570	(2,000)
Balance at 31 December	6,942	2,059
Designated Funds for future commitments to projects in the field		
Balance at 1 January	2,723	723
Transfer to / (from) General Reserve	(1,570)	2,000
Balance at 31 December	1,153	2,723

Notes (continued)

17 Restricted Funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations to be applied for specific purposes:

	Balance at 1 January 2014 £'000	Incoming Resources £'000	Programme Expenditure £'000	Balance at 31 December 2014 £'000
Afghanistan	-	13	13	-
Central African Republic	-	90	90	-
Chad	-	1	1	-
Democratic Republic of Congo	-	4	4	-
Ethiopia	-	226	226	-
Guinea	-	1	-	1
Haiti	-	162	162	-
India	-	1	1	-
Iraq	-	17	17	-
Jordan	-	65	65	-
Kenya	-	1	1	-
Liberia	-	1	-	1
Mali	-	4	-	4
Myanmar	-	48	48	-
Niger	-	62	62	-
Pakistan	-	1	1	-
Palestine	-	175	175	-
Papua NG	-	1	1	-
Philippines	633	17	409	241
Sierra Leone	-	4	4	-
Somalia	-	9	9	-
South Africa	-	25	-	25
South Sudan	-	1,589	1,589	-
Sri Lanka	-	7	-	7
Syria Crisis	-	652	652	-
Uzbekistan	-	15	15	-
Zimbabwe	-	187	187	-
Ebola epidemic in West Africa	-	5,892	3,200	2,692
	633	9,270	6,932	2,971

All restricted funds are for specific humanitarian projects in particular areas of the world. The charity also holds certain restricted funds raised through appeals for emergency relief provision in times of crisis.

Notes (continued)

18 Analysis of net assets between funds

	Fixed Assets £'000	Net Current Assets £'000	2014 Total £'000	2013 Total £'000
Restricted assets	-	2,971	2,971	633
Designated assets	-	1,153	1,153	2,723
Unrestricted assets	77	6,865	6,942	2,059
	<u>77</u>	<u>10,989</u>	<u>11,066</u>	<u>5,415</u>

19 Commitments

There were no commitments contracted or authorised at 31 December 2014 (31 December 2013: £nil) other than lease agreements. Amounts payable within the next twelve months on leases expiring:-

	2014 Land and Buildings £'000	2014 Other £'000	2013 Land and Buildings £'000	2013 Other £'000
Operating leases which expire:-				
Within 1 year	91	-	-	-
Within 2 – 5 years	389	-	<u>218</u>	-

The amount charged to the Statement of Financial Activity with respect to these contracts in 2014 was £218,000 (2013: £218,000).

20 Pension arrangements

The company operates a defined contribution group personal pension scheme. The assets of the scheme are held in a separate independently administered fund. The charge in respect of the contributions payable in the year was £362,000 (2013: £209,000) all of which was payable at 31 December 2014. The cost is accounted in the year it arises and there were no outstanding or prepaid amounts at 31 December 2014.

21 Reconciliation of net incoming resources to operating cash flows

	2014 £'000	2013 £'000
Net (outgoing) / Incoming resources	5,651	1,914
Bank interest	(12)	(14)
Depreciation charge	33	29
Decrease / (increase) in debtors	863	(2,914)
Increase / (decrease) in creditors	510	1,130
	<u>7,045</u>	<u>145</u>
Net cash inflow / (outflow) from operating activities	7,045	145

Notes (continued)

22 Analysis of net cash resources

	At 1 January 2014 £'000	Cash Flow £'000	At 31 December 2014 £'000
Cash in hand & at bank	6,990	6,993	13,983

23 Related parties

MSF Enterprises Limited is a fully-owned subsidiary of MSF (UK). During the year MSF Enterprises Limited has been dormant.

24 Sister Organisations and Head Office

MSF International (Head office)

78 rue de Lausanne
 Case Postale 116
 1211 Geneva 21
 Switzerland

MSF Belgium

46, Rue de l'Arbre Bénit
 1050 Bruxelles
 Belgium

MSF Denmark

Læger uden Grænser
 Dronningensgade 68,3
 1420 København K
 Denmark

MSF Greece

Xenias 15
 115 27, Athens
 Greece

MSF India

AISF Building, First floor
 Amar Colony, Lajpat Nagar -IV
 New-Delhi-110024
 India

MSF Japan

3F Waseda SIA Building
 1-1 Babashita-cho, Shinjuku-ku
 Tokyo 162-0045
 Japan

MSF South Africa

3rd Floor, Orion Building
 49 Jorissen Street
 Braamfontein 2017
 South Africa

MSF Switzerland

78 rue de Lausanne
 Case Postale 116
 1211 Genève 21
 Switzerland

MSF Australia

Level 4, 1-9 Glebe Point Road,
 Glebe NSW 2037
 Australia

MSF Brazil

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 Rua do Catete, 84 - Catete
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 RJ 22220-000
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 France

MSF Holland

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 Plantage Middenlaan 14
 1018 DD Amsterdam
 The Netherlands

MSF Ireland

9-11 Upper Baggot Street
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MSF Luxembourg

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 1617 Luxembourg
 Luxembourg

MSF Spain

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 08001 Barcelona
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Doctors Without Borders
 333 7th Avenue
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 New York, NY10001-5004
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MSF Canada

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MSF Germany

Ärzte ohne Grenzen
 Am Köllnischen Park 1
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MSF Hong Kong

22/F Pacific Plaza
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MSF Italy

Medici Senza Frontiere
 Via Volturno 58
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MSF Norway

Leger Uten Grænser
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MSF Sweden

Läkare Utan Gränser
 Gjörwellsgatan 28, 4 trappor
 Box 34048
 100 26 Stockholm
 Sweden

Transactions with the above sister organisations consist of the following:

- Reimbursement of costs for staff supplied to overseas projects (notes 4 and 7)
- Grants of funding for charitable work in the field (note 7)
- Management recharges (note 14 - amounts due from sister organisations; note 15 - MSF sister organisation creditors)