

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

Trustees' report and financial statements

Registered number 02853011
Charity number 1026588

Year ended 31 December 2013

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Report of the trustees

for the year ended 31 December 2013

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 2013. 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 2013

1.1 Trustees

Mr Paul McMaster	Chair
Mr Gareth Barrett	
Mr Oliver Behn	
Mr James Copeland	
Ms Fiona Dudley	
Ms Preea Gill	appointed 19 May 2013
Ms Victoria Keilthy	
Mr Dennis Kerr	appointed 19 May 2013
Ms Tania Kelly	resigned 22 March 2013
Mr Jean-Marie Kindermans	
Ms Elizabeth Smith	
Mr Willem Diderik Van Halsema	appointed 19 May 2013
Mr Peter Young	

1.2 Executive Director

Mr Marc DuBois	resigned 2 March 2014
Mr Jehangir Ghandhi	appointed 3 March 2014 (interim Executive Director)

1.3 Company Secretary

Mr Jehangir Ghandhi

1.4 Main advisors to the charity are:

Auditors:

KPMG LLP
1 Forest Gate
Brighton Road
Crawley
West Sussex, RH11 9PT

Bankers:

Bank of Scotland
38 Threadneedle Street
London
EC2P 2EH

Solicitors:

Bates, Wells & Braithwaite
Cheapside House
138 Cheapside
London
EC2V 6BB

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) 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 Médecins Sans Frontières (UK) Association is an unincorporated association whose membership is made up of personnel who work or who have worked for MSF overseas or who are ex-employees of the London office. If there is a vacancy on the Board of Trustees, the Association is invited to nominate one of its members to stand for election 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 the management team of Médecins Sans Frontières (UK) and is responsible for the implementation of the long-term vision and strategy for Médecins Sans Frontières (UK) and for the running of MSF-UK office.

2.4 International Organisational Structure

Initially founded in Paris in 1971, Médecins Sans Frontières (MSF) has become an international organisation. MSF has 'sections' in Australia, Austria, Belgium, Canada, Denmark, France, Germany, Greece, Holland, Hong Kong, Italy, Japan, Luxemburg, Norway, Spain, Sweden, Switzerland, UK and USA. It has other offices in places such as Brazil, India, South Africa, UAE and the Republic of Ireland. The 'international office' is based in Geneva, Switzerland. Management of MSF projects is shared via five 'operational centres' based in Amsterdam, Barcelona, Brussels, Geneva and Paris.

MSF UK was set up as a 'section' to recruit volunteers, provide information and raise vital funds to support MSF operations worldwide. The role of MSF UK has grown as it now makes a contribution to the running of field operations, primarily under the umbrella of 'Operational Centre Amsterdam' (OCA), along with MSF Holland and MSF Germany.

MSF in Ireland was registered as a separate legal entity in November 2008. This change in legal structure has led to the results of MSF Ireland being excluded from the results of MSF (UK) since the 2009 report and accounts. Operationally, the UK and Ireland continue to work in close collaboration, with the manager of the Irish operations sitting on the UK management team. In addition, plans and projections of UK and Ireland are produced together, the two offices work in an integrated fashion and all plans are consolidated for purposes of presentation to the International Office.

All the MSF sections and offices agree to abide by the principles of the International Charter of MSF.

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.

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 2013.

Other operational and business risks were also reviewed; particularly bearing in mind the unavoidable dangers that the personnel that the UK office recruits 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 actors in a given context.

During the year the Board 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

Médecins Sans Frontières (MSF) is a leading international non-governmental organisation for emergency medical aid. We provide independent medical relief to victims of war, disasters and epidemics in over 60 countries around the world. We strive to provide assistance to those who need it most, regardless of ethnic origin, religion 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 health care for the world's poorest people.

MSF is a voluntary organisation. Each year around 2,500 doctors, nurses, logistics specialists and engineers of all nationalities 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 2013

4.1 UK Office Activities

Médecins Sans Frontières UK is part of the global network of over 20 MSF sections and offices worldwide.

As mentioned above, MSF UK makes a contribution to the running of field operations, primarily through a partnership under the umbrella of Operational Centre Amsterdam (OCA), along with MSF Holland and MSF Germany. In 2013, OCA ran emergency medical projects in 28 countries, half of which are in Africa and the remainder largely in Central and South Asia.

In 2013 MSF UK gave 69% of the unrestricted money we raised to support the work of the Operational Centre Amsterdam and the majority of the rest (30%) to the Operational Centre Brussels (OCB). MSF UK also provides substantial support in other forms – human resources, advocacy support and communications expertise – to all five MSF operational centres (based out of Amsterdam, Barcelona, Brussels, Geneva and Paris). See section 4.2 for an operational overview of the work of all five MSF Operational Centres.

MSF UK has increased its participation in International Governance of the movement in fulfilling its obligations as a partner of Operational Centre Amsterdam (OCA). In 2013 the UK Chair was elected Chairman of the OCA Council, and the UK Treasurer was elected on to 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.

The UK office supports MSF's field work through raising funds, recruiting volunteers, and raising awareness of humanitarian crises among the general public and key decision makers in the UK and Ireland. A specialist medical team known as the Manson Unit works directly with the field projects to help solve urgent clinical problems. In addition,

experienced personnel from several other departments in the UK office regularly provide direct support to field teams in their areas of expertise.

The raising of private donations is critical to MSF's operational capacity, flexibility, and independence. In 2013 the MSF UK Fundraising team raised a total of £33.5m in private income which is a 57% increase over the previous year.

Regular donations increased by 1% to £10.6 million. Such donations account for 37% of our unrestricted private income. For every pound spent on fundraising in the UK in 2013 we raised over £13 of private income, which is considerably above the normal return for UK charities.

Restricted income was particularly high in 2013, primarily due to the crisis in Syria and the floods in the Philippines.

The number of field staff placed by the Human Resources (HR) department of the London office was 174 in 2013, which is the same as in 2012.

2013 was again a year in which the UK office made extensive contributions to the field, 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 the UK in terms of medical programming, advocacy and communications. One indicator of the demand for operational staff was the 837 total days spent in the field, representing especially significant contributions from members of the Manson Unit, the Programmes Unit and the Communication team.

The Manson unit continued with their medical support, focussing on epidemiology and the treatment of multi-drug resistant tuberculosis. The Programme unit continued with their focus on medical advocacy and issues surrounding the politicization of aid.

Finally, the sterling work of the network of university student societies, the 'Friends of MSF' is noteworthy. At the end of 2013 there were around 37 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.

4.2 Operations Overview

This section provides an overview of the work of all five MSF operational centres. In 2013, 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 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.

Africa – Conflict & Poverty in the Central African Republic (CAR)

Since a coup in March 2013 deposed the government, the Central African Republic has been slipping deeper into crisis. With almost half the population of 4.6 million people in need of emergency aid, and with no functioning government in CAR, people are living in fear in the bush without food, hygiene, shelter or healthcare.

MSF has been working in Central African Republic since 1997, and now runs seven regular projects at hospitals in Batangafo, Boguila, Carnot, Kabo, Ndéle, Paoua and Zémio as well as 40 health posts; providing free medical care to about 400,000 people and approximately 800 hospital beds. In addition to this MSF has emergency projects in 5 locations including the capital, Bangui. In total MSF have more than 100 international staff and 1,100 local staff in the country.

United Nations agencies and many nongovernmental organizations, citing insecurity, have withdrawn to the capital, leaving most of the country without vital aid. During the rebel

offensive, hospitals and health centres were ransacked and medical staff fled. Without doctors, medicines, or medical supplies, the majority of people in CAR have no access to health care. MSF teams are witnessing alarming numbers of malaria cases, which are 33 percent higher than the same period last year. According to a report released on July 9th 2013 by MSF, the people of CAR have effectively been abandoned, precisely when they most need assistance.

Violence in the capital, Bangui, has been raging throughout December 2013. Hundreds of thousands of people who have fled their homes to escape the chaos and have settled in makeshift sites are now at risk of epidemics. MSF teams have witnessed a great deal of this violence and security is proving to be a challenge for our teams - at times all but the most urgent activities must be curtailed.

There are currently an estimated 100,000 people in the Mpoko camp near the capital's airport, with many more expected to arrive. "It is unmanageable," laments the MSF coordinator, Lindis Hurum. "The insecurity is getting worse. We received stray bullets into the clinic. On the night of December 31 to January 1, the clinic was targeted by gunfire coming from within the camp. Staff and patients remained lying on the ground for over an hour. The next day, we received three children shot and wounded inside the camp, all died."

Despite this, in January 2014 MSF is providing emergency medical care in five makeshift camps, providing more than a thousand consultations every day and targeting 68,000 measles vaccinations to vulnerable children.

Africa – Responding to a refugee crisis in South Sudan

In early 2005, a peace agreement was signed between North and South Sudan. This agreement ended a prolonged civil war of more than 20 years. In January 2011 South Sudan decided, after a referendum, to secede from the North. This led to the formal independence of the Republic of South Sudan on 9th July 2011. Despite this, Africa's newest country is still facing a humanitarian crisis. Diseases, malnutrition and displacement are rife. The health system is extremely weak and under resourced and many regions are still facing ongoing violence.

MSF has been working in the region that today constitutes the Republic of South Sudan since 1983 and currently runs 15 projects in nine of the country's ten states. Teams have recently set up emergency operations in 3 areas affected by the internal conflict which broke out in December, providing medical care to more than 110,000 people displaced by the fighting.

Even before the recent fighting many people in South Sudan had little or no access to medical assistance. Most pregnant women were unable to give birth in a medical facility, there were limited treatment and vaccination options for children, and refugees taking shelter in the country were receiving the bare minimum of assistance.

Now, given the deteriorating, dangerous security conditions for the population and aid groups alike, access to care has become even more limited, an outcome that carries potentially grave consequences. "Highly vulnerable people have just become even more vulnerable," said Raphael Gorgeu, MSF's head of mission in South Sudan. "We don't know what will happen to the thousands of displaced and wounded people across the country."

MSF currently has 228 international staff working in its projects alongside 2,917 South Sudanese staff.

Asia – Responding to Typhoon Haiyan in the Philippines

On November 8, 2013, Typhoon Haiyan cut a devastating path across the central Philippines, affecting nearly 13 million people. The first MSF teams arrived in the Philippines on November 9th in the immediate aftermath of the typhoon. During the first ten days of MSF's intervention, transport was problematic: the few functioning airports and

ports were congested, roads were blocked and damaged, and both fuel and vehicles were in short supply. The few functioning hospitals had sustained major damage, with no electricity and a shortage of health care workers.

Within a month, more than 600 MSF staff were working in the country. MSF teams had set up four temporary hospitals, including an inflatable hospital in Tacloban, and tented hospitals in Burauen, Tanauan, and Guiuan as well as we supporting health centres in a number of outlying areas. Our teams had carried out more than 30,000 outpatient consultations and admitted more than 300 patients to hospital.

As living conditions in many places are overcrowded and unsanitary, MSF teams were also taking measures to help prevent the spread of disease. Our teams provided clean drinking water to people in affected communities and distributed more than 28,000 relief kits and 9,100 tents, shelters or reconstruction kits to help people rebuild their homes

While many international medical agencies are leaving the islands, MSF intends to stay until the health system has adequately recovered, ensuring that urgent medical needs are met.

Asia –Surgical capacity in Afghanistan

MSF continued to support one of the only two functioning referral hospitals in southern Afghanistan, Boost hospital in Lashkargah. It provides surgery, internal medicine, and maternity, paediatric and emergency services. Staff in the outpatient clinic saw over 7,000 patients per month, many of whom had travelled long distances to obtain medical assistance.

The number of patients has grown as people have learned about the hospital and its services. The total number of surgical procedures increased to more than 3,000, over a third of them trauma-related orthopaedic operations.

The hospital also has an inpatient unit specialising in care for severely malnourished children, where some 900 children were treated. By the end of the year, the hospital was equipped with 250 beds, and an extension to the paediatric and neonatology departments was completed with MSF support. About 2,000 people were admitted to the hospital each month, a 15-fold increase in patients since MSF started work in this hospital in 2009.

Middle East – Conflict in Syria

After more than two and a half years of extremely violent conflict in Syria, the situation is becoming increasingly dire for millions of people. Medical attention for the direct victims of violence is not the only problem: prevailing insecurity and the targeted destruction of health facilities mean that many people cannot access the routine or emergency healthcare they need. The previously well functioning health system has collapsed leaving many without access to basic health care services, and the routine vaccination programme has been disrupted leaving thousands of children unprotected.

Despite not receiving government authorisation to deliver medical assistance, MSF decided during 2012 to work in the country, in opposition-held areas. In 2013 within Syria, MSF operated six makeshift hospitals and two health centres. The teams ran mobile clinic programmes in some areas when security conditions allowed, and ran a comprehensive routine vaccination programmes for children in the areas where we operated.

In areas of Syria where MSF is not able to work directly, we had an extensive programme of remote support for Syrian medical networks, both in opposition-controlled and in government-controlled areas. Through this programme we supported 30 hospitals and 60 medical posts in 7 governorates. On average around 3 tons of medical supplies or basic relief items such as blankets, mattresses, soap or cooking sets were supplied per day.

In countries neighbouring Syria, according to official estimates, more than 2 million Syrian refugees are registered or awaiting registration – but the actual number could be much higher.

MSF carried out medical consultations (basic healthcare, vaccination as well as mental health care) and distributed relief items to refugees in Iraq, Jordan and Lebanon. At the end of November 2013, MSF had 718 staff working inside Syria, and 505 staff working on refugee activities in neighbouring countries.

Innovative approaches to preventing the spread of HIV

The nature of MSF is to act as a medical humanitarian organisation in crisis periods when people's very survival is threatened. Over the years, it has implemented sustainable models of care that have proven effective, efficient and affordable, and which have since been built upon by other actors, including ministries of health.

Since February 2013, an innovative approach, commonly referred to as PMTCT B+ (prevention of mother-to-child transmission, option B+), is being rolled out by MSF and the Ministry of Health in the Nhlanguano area of Swaziland. It aims to place 2,000 HIV-positive pregnant women on treatment over the next four years, as soon as possible after their diagnosis.

"In Swaziland, the prevalence of HIV/AIDS among pregnant women, which currently is close to 40 per cent, is extremely worrying. Without treatment, 25 to 40 per cent of the children born to HIV-positive mothers will also be infected," explains Dr Serge Kabore, MSF's medical coordinator in Swaziland. "The aim of this new PMTCT B+ approach is to place all pregnant and breastfeeding women who have the virus on lifelong antiretroviral treatment, whatever their CD4 count. That will prevent mother-to-child HIV/AIDS transmission, while also keeping the mothers in good health, protecting any future babies they may have and protecting HIV-negative partners."

This new PMTCT B+ approach is an important development in the fight against the HIV/AIDS epidemic in Swaziland. The long-term objective is to invert the curve of the epidemic by making this approach the norm for the general population. PMTCT B+ is a first step towards achieving a generation without HIV/AIDS.

Worldwide - Advocacy and témoignage

MSF medical teams often witness violence, atrocities, and neglect in the course of their work, much of which occurs in places that rarely receive international attention. At times, MSF may speak out publicly in an effort to bring a forgotten crisis into view, alert the public to abuses occurring beyond the headlines, criticize the inadequacies of the aid system, challenge the diversion of humanitarian aid for political interests, or call out policies that restrict access to medical care or essential medicines.

Speaking out can take many forms: a press conference or publication; a small, behind-the-scenes meeting at the local, national or international level; a public presentation of testimony; or a discussion with the local leaders in the region of concern. Sometimes MSF bears witness silently, acting as a deterrent to injustice through its mere presence. Whatever the means, our purpose is to provoke a response from those who have the capacity and the responsibility to address egregious abuses that confront our teams.

Such examples of advocacy cannot be enumerated. However during 2013 MSF issued more than a hundred major press releases highlighting humanitarian issues. Of these, 18 were concerned with the deteriorating situation in Syria and the neighbouring countries, 31 portrayed the consequences of conflict in other countries, 21 detailed issues about access and affordability of drugs and vaccines, and 11 described the plight of refugees and displaced populations.

MSF has created a Speaking Out Case Studies website where you will find a series of studies from Médecins Sans Frontières that openly examine and analyse the organisation's actions and decision-making process during humanitarian emergencies that have led it to speak out. These case studies were originally designed as an educational tool for associative members of the organisation. With the hope of broadening their educational scope the studies are now being made available to the public for free.

5 FINANCIAL REVIEW

5.1 Grant-making Policy

The allocation of grants from unrestricted income is decided on the basis of needs identified by MSF operational centre Amsterdam and MSF 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 charity had total incoming resources of £36.0m (2012: £23.9m) from the general public, provision of staff to the field and bank interest. This represents an increase of 51% from 2012. This is mainly a result of a significant increase in restricted income from major emergency appeals for Syria and the Philippines, together with a large increase in legacy income. As was the case in 2012, we received no government funding in 2013.

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 2013 donations by direct debit and standing order were £10.6m (2012: £10.5m). 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 186% (2012: 202%). The cost of raising £1 for private funds has fallen from 10 pence to 7.5 pence.

Loyalty is a key goal of our fundraising work, and in 2013 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, or to send constant fundraising appeals to our donors. The increase in the rate of growth of spontaneous giving is due to the increased media coverage of MSF's work.

Restricted private donations of £5.3m (2012: £1.9m) represent an increase over the prior year. The increase was primarily due to restricted funds for the floods in the Philippines and the conflict in Syria. The restricted funds have been transferred to support MSF work to assist people at risk in these crises, except in the case of the Philippines floods appeal where most of the funds were raised towards the end of 2013 and will be fully utilised in 2014.

Legacy income has seen a significant increase from £2.6m to £10.4m. Included in the income is a total of £4.2m of discretionary legacy income from an estate in Singapore.

5.3 Reserves Policy

The Trustees have approved a modification in the reserves policy whereby MSF UK will maintain in general unrestricted reserves a target of 4.5 months of current year budgeted UK expenditure as an acceptable level of reserves. This is a small change from the previous policy, which was to maintain in unrestricted reserves a target of 4.5 months of the following year budgeted UK expenditure.

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.

The budgeted UK expenditure for 2013 was £5.7m. The unrestricted general reserves at 31 December 2013 amount to £2.1m or 4.3 months budgeted UK expenditure (2012: £2.8m or 5.6 months). The Trustees believe this is within an acceptable margin of the target reserves of 4.5 months of budgeted UK expenditure. The level of restricted funds is always kept to a minimum. We aim to spend any restricted funds as soon as possible after they are received.

5.4 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 2013, volunteers provided a total of approximately 1,586 days (2012: 1,612 days) of time. We are extremely appreciative of their support and willingness to help out with any task.

5.5 Statement of Recommended Practice (SORP) 2005

The annual report and accounts for the year ended 31 December 2013 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

The three overarching objectives in our 2012-2014 Strategic Plan are as follows:

Strategic Purpose 1: To improve the lives of people in crisis by making a positive impact to MSF's fieldwork and operational ambitions

Strategic Purpose 2: To use MSF's field experience to influence external medical, humanitarian and other stakeholders to improve medical care and the policy and practice of aid

Strategic Purpose 3: Effective Foundation: To ensure robust services, relationships, and governance to achieve Strategic Purposes 1 and 2

These three broad categories are then broken down into Objectives, and each objective carries a number of Main Directions.

In 2014 we will be focusing on the following priorities:

Following an extensive recruitment process the Trustees have appointed Victoria Hawkins as the new General Director of MSF UK. She will join in May 2014, and work with Trustees, staff and the management team to shape a new strategic vision for the organisation.

MSF will continue to respond to the most acute humanitarian and medical needs around the world. We will continue to try and be present where we are most needed, be it with people caught in conflicts, natural disasters, hit by outbreaks of disease or who are neglected or persecuted. We will, as ever, seek to focus our efforts towards filling the gaps left by other aid providers, bringing our significant expertise in war surgery and emergency hospital management. In addition we will deliver and advocate for better, more effective treatments for many neglected diseases, especially drug-resistant tuberculosis.

The Manson Unit in MSF UK, already extremely productive across a number of medical topics, is taking the lead on a drug-resistant tuberculosis clinical trial. With a project team of three or four people based in the UK office this initiative, to span several years, will draw upon the strengths of our well-integrated communications, policy analysis, and lobbying/campaigning capabilities. We will execute this project in co-operation with our colleagues in MSF Holland, who have been awarded a €6m grant from the Dutch postcode lottery to undertake this ambitious project. As well as the TB trial, MSF UK will provide active support to all MSF operations - providing vital human and financial resources, but also advice, advocacy support and communications expertise as required.

In 2014 we will embark on an ambitious fundraising plan, which will include recruiting three staff to join our fundraising team. There are plans for new forms of donor recruitment to be rolled out, including the use of direct response TV. This increased investment is in response to the MSF movement's need for additional funds for both now and for the future. In addition we have ambitious plans for improving our public engagement work around the UK that will see us linking human resources, association, advocacy, fundraising and communications objectives in strengthened community work.

Our communications strategy will focus on developing our digital video capacity and brand strength. Our Programmes Unit will capitalise on the vast network of operational resources in the UK. It will push to advance further its key specialties of health policy analysis & advocacy, strategic networking & humanitarian advocacy, operational research in health, humanitarian and aid issues and direct field support.

Staff and volunteers are a key resource, and the human resources plan includes disseminating the results of a staff survey and implementing a pay review. We will also examine various options with relation to office space prior to the expiry of the office lease in 2015, with a view to maintaining a productive and efficient working environment for our staff.

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: 21st March 2014

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 2013 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 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 (APB'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 2013 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

N May

Nicola May (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

1 Forest Gate
Brighton Road
Crawley
West Sussex
RH11 9PT

26 March 2014

Statement of Financial Activities
(incorporating an income and expenditure account)
 for the year ended 31 December 2013

		Unrestricted	Restricted	2013	2012
				Total	Total
	Note	£'000	£'000	£'000	£'000
Incoming Resources					
Incoming resources from generated funds:					
Voluntary income					
Donations, legacies and similar income	3	28,282	5,262	33,544	21,411
Income from other charitable activities	4	2,424	-	2,424	2,451
Investment income	5	14	-	14	18
Other income	3	4	-	4	12
Total incoming resources		30,724	5,262	35,986	23,892
Resources Expended					
Costs of generating funds					
Costs of generating voluntary income	6	2,473	-	2,473	2,080
Charitable activities					
Operational programmes	7	26,864	4,654	31,518	23,221
Governance costs	8	81	-	81	66
Total resources expended		29,418	4,654	34,072	25,367
Net income for the year	9	1,306	608	1,914	(1,475)
Fund balances brought forward at 1 January	16	3,476	25	3,501	4,976
Fund balances carried forward at 31 December	18	4,782	633	5,415	3,501

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.

There is no difference between the historical cost surplus and the reported surplus.

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

Balance Sheet
 at 31 December 2013

	Note	2013	2012
		£'000	£'000
Non-current assets			
Fixed assets	13	46	66
Investment	12	-	-
		<u>46</u>	<u>66</u>
Current assets			
Debtors	14	4,651	1,737
Cash at bank and in-hand	22	6,990	6,840
		<u>11,641</u>	<u>8,577</u>
Creditors			
Amounts falling due within one year	15	<u>(6,272)</u>	<u>(5,142)</u>
		<u>5,369</u>	<u>3,435</u>
Net current assets			
		<u>5,415</u>	<u>3,501</u>
Net assets			
	18	<u>5,415</u>	<u>3,501</u>
Funds			
Unrestricted - General	16	2,059	2,753
- Designated	16	2,723	723
Restricted	17	633	25
		<u>5,415</u>	<u>3,501</u>
Net funds			
		<u>5,415</u>	<u>3,501</u>

These financial statements were approved by the board of trustees on the 21st March 2014 and were signed on its behalf by:

James Copeland
 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 2013

	<i>Note</i>	2013 £'000	2012 £'000
Cash flow from operating activities	21	145	(571)
Return of investments and servicing of finance			
Interest received	5	14	18
Capital expenditure and financial investment			
Purchase of fixed assets	13	(9)	(52)
		<hr/>	<hr/>
Increase/(Decrease) in cash in the year	22	150	(605)
		<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 2013 the company has 397 (2012: 388) 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

Grants payable to partner organisations consist of grants from DFID.

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 housing, depreciation, IT, stationary, 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 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 2012 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 has an investment of £1 in MSF Enterprises Limited. This subsidiary is a fully owned subsidiary of MSF (UK).

3 Donations, legacies and similar income

	Unrestricted Funds £'000	Restricted Funds £'000	2013 Total £'000	2012 Total £'000
Donations, legacies and similar income				
Appeals	3,200	2,707	5,907	3,606
Legacies	10,363	20	10,383	2,641
Corporate	1,314	436	1,750	1,389
Trust	1,348	1,654	3,002	1,699
Committed Giving	10,424	181	10,605	10,511
Other donations	1,633	264	1,897	1,565
	<hr/>	<hr/>	<hr/>	<hr/>
	28,282	5,262	33,544	21,411
	<hr/>	<hr/>	<hr/>	<hr/>
Other income				
Foreign exchange gain	-	-	-	7
Other	4	-	4	5
	<hr/>	<hr/>	<hr/>	<hr/>
	4	-	4	12
	<hr/>	<hr/>	<hr/>	<hr/>
	28,286	5,262	33,548	21,423
	<hr/>	<hr/>	<hr/>	<hr/>

MSF UK is aware of potential future legacy income for further amounts estimated at £3,181,000 (2012 £1,385,000) 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	2013 Total £'000	2012 Total £'000
Income from supply of staff to overseas projects	2,424	-	2,424	2,451
	<hr/>	<hr/>	<hr/>	<hr/>

Notes (continued)

5 Investment income

	Unrestricted Funds £'000	Restricted Funds £'000	2013 Total £'000	2012 Total £'000
Bank interest	14	-	14	18
	<hr/>	<hr/>	<hr/>	<hr/>

6 Costs of generating voluntary income

	Unrestricted Funds £'000	Restricted Funds £'000	2013 Total £'000	2012 Total £'000
Salaries, Pensions & Tax	510	-	510	442
Travel & Subsistence	16	-	16	14
Other Personnel Costs	21	-	21	30
Office Costs (including depreciation)	108	-	108	103
Professional costs	28	-	28	66
Promotional costs	1,790	-	1,790	1,425
	<hr/>	<hr/>	<hr/>	<hr/>
	2,473	-	2,473	2,080
	<hr/>	<hr/>	<hr/>	<hr/>

Notes (continued)

7 Charitable Programs - Operational programmes

	Unrestricted Funds £	Restricted Funds £	2013 Total £	2012 Total £
Funds allocated to MSF aid projects and campaigns				
Afghanistan	3,660	-	3,660	300
Bangladesh	-	-	-	15
Central African Republic	628	361	989	600
Chad	800	-	800	1,000
DRC	4,847	123	4,970	4,400
Ethiopia	-	-	-	1
Haiti	2,090	10	2,100	2,100
India	398	2	400	40
Jordan	-	125	125	46
Lebanon	-	-	-	13
Lesotho	-	-	-	250
Mali	839	1	840	200
Mauritania	146	152	298	300
Myanmar	279	121	400	1,060
Niger	-	321	321	70
Nigeria	640	-	640	924
Pakistan	-	-	-	350
Palestine	-	2	2	1
Papua NG	49	31	80	160
Philippines	-	506	506	-
Russia Caucasus	-	-	-	1,000
Sierra Leone	-	-	-	500
Somalia	373	40	413	400
South Sudan	5,378	79	5,457	1,766
Syria Crisis	-	2,590	2,590	600
Ukraine	688	-	688	360
Zimbabwe	310	190	500	1,122
Access to Essential Medicines Campaign	104	-	104	97
Drugs for Neglected Diseases Initiative	56	-	56	39
	21,285	4,654	25,939	17,714

Note 7 continued ...

	Unrestricted Funds £	Restricted Funds £	2013 Total £	2012 Total £
Medical & Programme Support				
Salaries, Pensions & Tax	713	-	713	662
Travel & Subsistence	111	-	111	79
Other Personnel Costs	28	-	28	28
Office Costs (incl depreciation)	118	-	118	113
Professional costs	43	-	43	21
Promotional costs	34	-	34	32
	1,047	-	1,047	935
Recruitment for Overseas Projects				
Salaries, Pensions & Tax	366	-	366	354
Travel & Subsistence	8	-	8	8
Other Personnel Costs	42	-	42	32
Office Costs (incl depreciation)	99	-	99	96
Professional costs	26	-	26	25
Promotional costs	8	-	8	8
	549	-	549	523
Témoignage & advocacy				
Salaries, Pensions & Tax	404	-	404	354
Travel & Subsistence	27	-	27	31
Other Personnel Costs	18	-	18	14
Office Costs (incl depreciation)	82	-	82	92
Professional costs	24	-	24	26
Promotional costs	119	-	119	171
	674	-	674	688
International staff				
Costs of employment of international staff	2,424	-	2,424	2,451
Support costs				
Salaries, Pensions & Tax	459	-	459	415
Travel & Subsistence	16	-	16	15
Other Personnel Costs	21	-	21	8
Office Costs (incl depreciation)	99	-	99	85
Professional costs	22	-	22	23
Promotional costs	7	-	7	8
Contribution to Intl Office expenses	261	-	261	356
	885	-	885	910
Total - Operational Programs	26,864	4,654	31,518	23,221

Notes (continued)

8 Governance costs

	Unrestricted Funds £'000	Restricted Funds £'000	2013 Total £'000	2012 Total £'000
Costs of trustees UK meetings	21	-	21	22
Costs of trustees attending overseas meetings	25	-	25	7
Professional liability insurance	6	-	6	8
Audit fees – statutory audit	24	-	24	24
– international combined accounts	5	-	5	5
	81	-	81	66

MSF UK has increased its participation in International Governance of the movement in fulfilling its obligations as a partner of Operational Centre Amsterdam (OCA). In 2013 the UK Chair was elected Chairman of the OCA Council, and the UK Treasurer was elected on to 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.

9 Net movement in funds

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

	2013 Total £'000	2012 Total £'000
Depreciation	29	38
Hire of other assets – operating leases (note 19)	218	211
Auditor remuneration – statutory audit	24	24
Exchange losses / (gains)	9	(7)

10 Remuneration of directors/trustees included in Governance costs

The Chairman received remuneration of £ 8,563 for 68.5 days of paid work (2012 : £8,188 for 65.5 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. £28,000 was reimbursed for directly incurred expenses to 12 trustees (2012: £21,000 to 10 trustees). In addition to this trustee indemnity insurance has been purchased at a cost of £6,000 (2012: £8,000).

In addition to his remuneration as Chairman of MSF UK, the Chairman also received remuneration of £9,375 (2012: Nil) 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 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	
	2013	2012
Private & Institutional Fundraising	14	11
Medical & Programme Support	13	13
Témoignage & Advocacy	10	8
Management & administration	8	10
Recruitment for overseas projects	11	8
UK staff in international projects	81	85
	137	135

The costs of employing those staff were:

	2013	2012
	£'000	£'000
Wages & salaries	3,486	3,494
Social security costs	325	325
Pension costs	209	214
	4,020	4,033

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

	2013	2012
£60,001 - £70,000	1	1
£70,001 - £80,000	1	-

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

The Charity operates a pay policy whereby the pay scale for the highest paid employee is no more than 3 times the pay scale for the lowest paid employee.

12 Investments

The Charity owns 100% of the share capital in MSF Enterprises Limited, a subsidiary, 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

	2013	2012
	£'000	£'000
Cost		
At beginning of period	492	439
Additions	9	52
Disposals	-	-
At end of period	<u>501</u>	<u>491</u>
Depreciation		
At beginning of period	426	387
Charge for the period	29	38
Disposals	-	-
At end of period	<u>455</u>	<u>425</u>
Net book value		
At end of period	<u>46</u>	<u>66</u>
At beginning of period	<u>66</u>	<u>52</u>

All assets are used for charitable purposes

14 Debtors

	2013	2012
	£'000	£'000
Amounts due from sister organisations	609	592
Legacies receivable	2,723	723
Accrued income	1,257	342
Prepayments and deferred charges	62	80
	<u>4,651</u>	<u>1,737</u>

15 Creditors: amounts falling due within one year

	2013	2012
	£'000	£'000
MSF sister organisation creditors	640	420
MSF sister organisation grants agreed	4,809	4,289
Other tax and social security	127	115
Other creditors	402	257
Deferred income	143	-
Accruals	151	61
	<u>6,272</u>	<u>5,142</u>

Notes (continued)

16 Unrestricted funds

	2013	2012
	£'000	£'000
General Reserve		
Balance at 1 January	2,753	3,598
Surplus /(deficit) for the year	1,306	(1,500)
Transfer from/(to) Designated Funds	(2,000)	655
Balance at 31 December	2,059	2,753
Designated Funds for future commitments to projects in the field		
Balance at 1 January	723	1,378
Transfer from/(to) General Reserve	2,000	(655)
Balance at 31 December	2,723	723

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 2013 £'000	Incoming Resources £'000	Programme Expenditure £'000	Balance at 31 December 2013 £'000
Central African Republic	-	361	361	-
Democratic Republic of Congo	-	123	123	-
Haiti	-	10	10	-
India	-	2	2	-
Jordan	25	100	125	-
Mali	-	1	1	-
Mauritania	-	152	152	-
Myanmar	-	121	121	-
Niger	-	321	321	-
Palestine	-	2	2	-
Papua NG	-	31	31	-
Philippines	-	1,140	507	633
Somalia	-	39	39	-
South Sudan	-	79	79	-
Syria	-	2,591	2,591	-
Zimbabwe	-	189	189	-
	25	5,262	4,654	633

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	2013 Total £'000	2012 Total £'000
Restricted assets	-	633	633	25
Designated assets	-	2,723	2,723	723
Unrestricted assets	46	2,013	2,059	2,753
	<u>46</u>	<u>5,369</u>	<u>5,415</u>	<u>3,501</u>

19 Commitments

There were no commitments contracted or authorised at 31 December 2013 (31 December 2012: £nil) other than lease agreements. Amounts payable within the next twelve months on leases expiring:-

	2013 Land and Buildings £'000	2013 Other £'000	2012 Land and Buildings £'000	2012 Other £'000
Operating leases which expire:-				
Within 1 year	-	-	-	-
Within 2 – 5 years	<u>218</u>	<u>-</u>	<u>218</u>	<u>-</u>

The amount charged to the SOFA (Statement of Financial Activity) with respect to these contracts in 2013 was £218,000 (2012: £211,000).

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 £209,000 (2012: £214,000) all of which was payable at 31 December 2013. The cost is accounted in the year it arises and there were no outstanding or prepaid amounts at 31 December 2013.

21 Reconciliation of net incoming resources to operating cash flows

	2013 £'000	2012 £'000
Net (outgoing) / incoming resources	1,914	(1,475)
Bank interest	(14)	(18)
Depreciation charge	29	38
Decrease / (increase) in debtors	(2,914)	641
Increase / (decrease) in creditors	1,130	243
	<u>145</u>	<u>(571)</u>
Net cash inflow / (outflow) from operating activities	145	(571)

Notes (continued)

22 Analysis of net cash resources

	At 1 January 2013 £'000	Cash Flow £'000	At 31 December 2013 £'000
Cash in hand & at bank	6,840	150	6,990

23 Related parties

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

24 MSF sister organisations and head office

MSF Australia
 PO Box 847
 Broadway
 NSW 2007
 AUSTRALIA

MSF Greece
 15, Xenias St
 115 27, Athens
 GREECE

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

MSF Austria
 Taborstrasse 10
 PO Box 53
 1020 Vienna
 AUSTRIA

MSF Holland
 Plantage Middenlaan 14
 1018 DD Amsterdam
 THE NETHERLANDS

MSF Luxembourg
 68 Rue de Gasperich
 1617 Luxembourg
 LUXEMBOURG

MSF Belgium
 94, Rue Dupré
 1090 Bruxelles
 BELGIUM

MSF Hong Kong
 22F Pacific Piazza
 410-408 Des Voeux Road West
 Sai Wan
 HONG KONG

MSF Norway
 Hausmannsgate 6
 0186 Oslo
 NORWAY

MSF Canada
 720 Spadina Avenue, Suite 402
 Toronto, Ontario
 M5S 2T9
 CANADA

MSF International (Head office)
 78 rue de Lausanne
 Case Postale 116
 1211 Geneve 21
 SWITZERLAND

MSF Spain
 Nou de la Rambla 26
 08001 Barcelona
 SPAIN

MSF Denmark
Dronningensgade 68
1420 København K
DENMARK

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

MSF Sweden
Gjörwellsgatan 28
Box 34048
100 26 Stockholm
SWEDEN

MSF France
8 rue Saint Sabin
75011 Paris
FRANCE

MSF Ireland
9-11 Upper Baggot Street
Dublin 4
IRELAND

MSF Switzerland
78 rue de Lausanne
Case Postale 116
1211 Genève 21
SWITZERLAND

MSF Germany
Am Köllnischen Park 1
10179 Berlin
GERMANY

MSF Italy
Via Magenta 5
00185 Rome
ITALY

MSF USA
333 7th Avenue
New York
NY 10001-5004
U.S.A.

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)