

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

Directors' report and  
financial statements

**Year ended 31 December 2011**

*Registered number: 464033*

Charity registration number: 18196

# Médecins Sans Frontières

(Company limited by guarantee)

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# Médecins Sans Frontières

(Company limited by guarantee)

## Directors and other information

### Directors

Dr Simon Collins (Chairman)  
M. Bernadette Orbinski Burke  
Mr Marc Dubois (United States of America)

### Secretary

Ms Sophie Chaix (resigned 15<sup>th</sup> August 2011)  
Ms Jane-Ann McKenna (appointed 15<sup>th</sup> August 2011)

### Registered office

9 - 11 Upper Baggot Street  
Dublin 4

### Auditor

KPMG  
Chartered Accountants  
1 Stokes Place  
St. Stephen's Green  
Dublin 2

### Bankers

Bank of Ireland  
College Green  
Dublin 2

### Solicitors

Kilroys  
Solicitors  
69 Lower Lesson Street  
Dublin 2

# Médecins Sans Frontières

(Company limited by guarantee)

## Directors' report

The directors present their report, together with the audited financial statements of the company, for the year ended 31 December 2011.

### Principal activities and business review

Médecins Sans Frontières ("MSF") is the 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. In order to get 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 campaign locally and internationally for 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, approximately 2,500 doctors, nurses, logistics specialists, engineers and other professionals of all nationalities leave on field assignments and work closely with thousands of local staff.

The MSF Ireland office was set up in April 2006 and functions for operational purposes as a branch office of MSF UK. The office is currently staffed with 3 full-time employees, comprising of a Head of Office, a Fundraising Manager and a Communications Manager. In addition, several office and field volunteers support activities with communications, administration, lectures, presentations and recruitment.

MSF Ireland supports MSF's fieldwork through recruiting volunteers, raising vital funds and providing information and raising awareness of humanitarian crises among the general public and key decision makers in Ireland. MSF Ireland works closely with the MSF UK office where a specialist medical team, known as the Manson Unit, works directly with the field project teams to help solve urgent clinical issues. In addition, experienced personnel from both offices regularly provide direct support to field teams in their area of expertise.

### Constitution

The Irish office, established in April 2006, became an incorporated body in Ireland on 6 November 2008 and was set-up as a company limited by guarantee (Company number 464033). A three-person Irish Board of Directors was established with Dr Simon Collins appointed as Chairman. MSF Ireland is recognised by the Revenue Commissioners as having registered charity status, registration number CHY 18196.



# Médecins Sans Frontières

(Company limited by guarantee)

## Directors' report *(continued)*

### **Constitution** *(continued)*

The governing document of the company is its Memorandum & Articles of Association, where the objective is 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.

### THE CHARTER OF MEDECINS SANS FRONTIÈRES

- 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 race, religion, creed or political affiliation.
- Médecins Sans Frontières observes strict 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.

### **Directors and secretary**

The Médecins Sans Frontières directors and secretary in office during the year and at the date of this report are set out on page 1.

### **International Organisational Structure**

Initially founded in Paris in 1971, 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 also has 'offices' in Brazil, India, South Africa, UAE, the Republic of Ireland and the Czech Republic. The "International Office" is based in Geneva, Switzerland. Management of MSF projects is shared via five 'operational centres' in Amsterdam, Barcelona, Brussels, Geneva and Paris.

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. Resources are provided between the entities on an arm's length basis and all sections are separate legal entities.

# Médecins Sans Frontières

(Company limited by guarantee)

## Directors' report *(continued)*

### **International Organisational Structure** *(continued)*

MSF exists to save lives, alleviate suffering and protect human dignity among populations in crisis throughout the world. MSF Ireland contributes directly to that mission by effectively and efficiently contributing to the financial, human and operational requirements of the Operational Centre Amsterdam ("OCA"), as well as the other MSF Operational Centres.

### **Risk Management**

The Directors of MSF Ireland have responsibility for and are aware of the risks which the charity faces. They are confident that adequate and sufficient systems of internal control are in place to minimise financial risk. We also believe that, due to the small size of the Irish organisation, a separate internal audit programme is not necessary.

Other operational and business risks are reviewed, particularly bearing in mind the unavoidable dangers faced by personnel recruited by the Irish office. All possible safeguards are put in place in the field to avoid any security incidents. The Board of Directors is responsible for reviewing the risks highlighted on the risk register on a regular basis.

### **Fundraising**

During the year, MSF Ireland had total incoming resources of €2,256,000 (2010: €2,300,000) from the general public, provision of staff to the field and Irish Aid grants.

The raising of private donations is critical to MSF Ireland's operational capacity, flexibility, and independence. In 2011, MSF Ireland raised a total of €806,000 (2010: €1,096,000) in private income which is a notable achievement given the difficult economic climate. A significant proportion of this income was the result of the generous donations received for our Somalia emergency response.

Regular gifts by standing order or direct debit are the core of MSF Ireland's financial growth and security. These gifts enable MSF Ireland to deliver a regular 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 and, in 2011, amounted to €334,000 (2010: €317,000).

Loyalty is a key goal of our fundraising work and, in 2011, MSF Ireland maintained our commitment to send relevant and timely information to our supporters, providing reports on how funds are spent. This is part of our Supporter Promise, which includes commitments not to share the personal data of supporters with other organisations, or to send constant fundraising appeals to our donors.

In 2011 MSF Ireland received a total of €1,220,000 in grants from Irish Aid. This was spent on our emergency work in South Sudan, the Democratic Republic of Congo, Sri Lanka and Niger.



# Médecins Sans Frontières

(Company limited by guarantee)

## Directors' report (*continued*)

### **Fundraising** (*continued*)

Grant making policy: The allocation of grants from unrestricted income is decided on the basis of needs identified by MSF (Holland) and MSF (Belgium). In certain cases, grants from unrestricted income are allocated according to specific requests made by other MSF sister organisations. In 2011, grants from unrestricted income were made to Haiti, Iraq and Zimbabwe.

Restricted funds: Restricted funds represent grants, donations and legacies, which can only be used for particular purposes specified by the donors. Grants derived from non-institutional restricted income are allocated to MSF sister organisations according to the requests of the donors.

### **Project review and progress during 2011 of the work of all 5 MSF Operational Centres**

This section provides an overview of the work of all five MSF operational centres. In 2011, MSF's programmes continued to provide essential medical services, without charge to the recipient, 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 neglected diseases such as sleeping sickness and kala azar, which cause huge numbers of deaths, yet receive scant attention in the West.

The malnutrition crisis in south-central Somalia, the series of emergencies unfolding in the newly created country of South Sudan and the measles epidemic in the Democratic Republic of Congo are examples of humanitarian emergencies that continue to challenge MSF's limited resources. Security remained a pressing issue in many parts of the world and, in certain countries, members of our staff were put at an unacceptably high risk.

Sadly, two of our staff members were killed as a result of a shooting in MSF's compound in Mogadishu. The victims were Belgian and Indonesian nationals. Philippe Havet, a 53-year-old from Belgium, was an experienced emergency coordinator who had been working with MSF since 2000. Andrias Keiluhu, better known as 'Kace', was a 44-year-old medical doctor who had worked with MSF since 1998. These shootings are a chilling reminder of the violent conflict MSF staff face when working in Somalia. The Trustees extend their condolences to the family and friends of the bereaved.

MSF is doing everything it can to bring about the safe release of Blanca Thiebaut and Montserrat Serra, the two MSF staff who were abducted in Dadaab, Kenya on 13 October 2011, while providing humanitarian assistance to Somali refugees. MSF calls on all Somalis – the diaspora, community leaders and, especially, the authorities in control of areas in Somalia where our kidnapped colleagues are being detained, to do everything possible to facilitate their safe release.

### **Somalia : Violent conflict & the unfolding of a humanitarian crisis**

After twenty years of conflict, the plight of Somalis in 2011 remained catastrophic. This year, Somalis have faced the devastating effects of drought, compounding a long-lasting conflict and the absence of a functioning healthcare system. In the first half of 2011, we witnessed the worsening nutritional situation



# Médecins Sans Frontières

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## Directors' report (*continued*)

### **Somalia : Violent conflict & the unfolding of a humanitarian crisis (*continued*)**

in south-central Somalia, with the number of malnourished children admitted to our therapeutic feeding centres steadily increasing. The same period saw a sudden, massive influx of refugees crossing the border from Somalia to the refugee camps of Dadaab in Kenya and Dolo Aldo in Ethiopia. Living conditions for refugees in overcrowded camps deteriorated as services were unable to respond to such a massive influx. Throughout 2011, MSF has run medical projects in up to 22 different locations in south-central Somalia, the epicentre of the crisis, as well as running large scale refugee camps in Ethiopia and Kenya. We have treated over 95,000 patients for malnutrition and vaccinated almost 235,000 children against measles.

### **South Sudan: Emergencies unfolding one after another**

Six months after the birth of South Sudan as the world's newest independent country, a series of emergencies are unfolding that require urgent humanitarian responses. MSF has scaled up into full emergency mode in Upper Nile State to respond to the sudden influx of thousands of refugees fleeing conflict in neighbouring Sudan. Around the town of Agok in Northern Bahr al Ghazal State, MSF is facing the spectre of a food shortage and has launched a preventive supplementary feeding programme for children who are at risk of becoming malnourished in the months ahead.

In late 2010, MSF saw a significant increase in the incidence of Kala Azar in South Sudan. Anyone can be affected by the disease – children, adults, pregnant women, or the elderly. This outbreak was particularly serious – our medical teams saw almost eight times the number of cases as the previous year. In Malakal, we undertook an emergency intervention by establishing outreach clinics for treatment and also by supporting the Kala Azar ward in Malakal Hospital. After successfully fighting this large outbreak, MSF has now handed its project in Malakal to local health authorities.

### **Democratic Republic of Congo: Condition still critical**

Decades of conflict and a lack of government investment have made it hard for people in the Democratic Republic of Congo ("DRC") to access basic healthcare. Epidemics have spread unchecked and treatment of deadly diseases has been neglected.

The eastern DRC is still volatile, marked by shifting alliances between armed groups, ongoing military operations, instability, insecurity, banditry and violence. Attacks against civilians and aid organisations are rising, making both the population and humanitarian aid workers increasingly vulnerable. Rape, murder, kidnapping, and random acts of violence are daily occurrences for millions of people. The ability of MSF to provide free, lifesaving healthcare is at times limited by this instability, which continues to push people from their homes.

Since late 2010, there has been a measles epidemic in DRC. More than 14 million children have been vaccinated, including more than three million by MSF.



# Médecins Sans Frontières

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## Directors' report *(continued)*

### **Niger: Malnutrition**

Even when receiving good care in a high-quality nutrition programme, between 3% and 5% of patients suffering severe acute malnutrition will die. For some years, MSF's nutrition projects in Niger have been implementing a preventive approach. Children under two years of age, who are suffering moderate malnutrition or are at risk of malnutrition, are given ready-to-use supplementary food before their condition can deteriorate to the level of severe, acute malnutrition.

Maradi, Tahoua and Zinder were some of the regions worst hit by the food crisis. MSF and its partner organisations worked to provide malnutrition care in as many locations as possible, given the difficulty of travelling for patients. In Maradi, up to 5% of children were suffering from severe acute malnutrition. MSF teams screened and treated children, trained staff, provided supervision and supplied medicines to 19 health centres spread across the departments of Dakoro, Guidan Roumdji, Madarounfa, and in Maradi Commune.

### **Haiti : The ongoing cholera epidemic**

One year since the start of the ongoing cholera epidemic in Haiti, people all over the country are still threatened by this deadly disease. Healthcare services and measures to prevent the spread of cholera are still inadequate.

According to Haiti's Ministry of Health, since the first cases of cholera were identified in October 2010, more than 465,000 Haitians have fallen ill and more than 6,500 people have died. The ongoing rainy season is facilitating the spread of the disease. Since the beginning of the cholera epidemic in October 2010, MSF has treated more than 160,000 patients for cholera, approximately 35% of total cases reported nationwide. MSF teams are currently responding to cholera in the Martissant, Carrefour, Delmas, Choscal and Drouillard neighbourhoods of Port-au-Prince; and in the Ouest, Nord and Artibonite departments.

### **Zimbabwe: Fighting HIV/AIDS**

An estimated 1.2 million adults and children are living with HIV in Zimbabwe. Only 55% of the almost 600,000 people in urgent need of life-prolonging antiretroviral (ARV) treatment are receiving it. MSF operates HIV/AIDS programmes in health clinics in Bulawayo city, Beitbridge, Epworth, Gweru, Tsholotsho and Buhera. Each programme provides comprehensive HIV/AIDS care, offering counselling, testing, treatment and the prevention of mother-to-child transmission of the virus.

The cost of transport restricts access to the few functioning hospitals providing ARV treatment, which puts patients at risk of interrupted treatment, especially those living in remote areas such as Buhera and Tsholotsho. MSF seeks to remedy this by decentralising services from hospitals to rural clinics, bringing free HIV care closer to patients' homes. MSF has also implemented task-shifting and clinical mentoring – training nurses in routine HIV care, including the administration of ARV drugs, so that more staff are able to treat more patients in more locations.



# Médecins Sans Frontières

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## Directors' report *(continued)*

### **Iraq: Trauma care and specialist services**

MSF has been attempting to fill some of the gaps that have been identified in obstetric care, mental health and other specialised services. It has also sustained its training and support for general surgery and its reconstructive programme for severely wounded people who are brought to neighbouring Jordan for treatment.

A more recent development has been in the neglected area of mental healthcare. Ministry of Health staff were trained as counsellors by MSF and are now working in units in two hospitals in Baghdad and one in Fallujah. MSF are running sessions to reduce the mental trauma patients were experiencing from their exposure to violence and insecurity. The counsellors are supported by video-conferencing systems, which allow international staff to work with them from outside the country.

### **Neglected diseases and affordable medicines**

The news in November 2011 that the Global Fund was to cancel its annual funding round due to lack of donor support was a major setback. Countries will have to wait until 2014 before they find out if they have new funds for HIV or drug-resistant TB, or roll out diagnostic tests for malaria. The funding gaps across global health are now acute, putting at risk a decade of progress at fighting these three big killer diseases.

Treating people with drug-resistant TB is a long, expensive, difficult and complex process. Over the last ten years, we estimate that less than 1% of people with drug-resistant TB have had access to appropriate treatment and, as a result, some 1.5 million have died. Without the economies of scale, the cost of treatment remains high when compared to the cost of treatment for standard TB. MSF has doubled the numbers on treatment over the past decade and is advocating for increased international commitment to scale up treatment in many countries affected by the disease.

The continued neglect of widespread and deadly diseases such as Chagas, kala azar (visceral leishmaniasis), sleeping sickness and Buruli ulcer remain a major cause for concern. Over a decade since MSF first raised its voice about the lack of drugs for neglected diseases, there are still scandalously few international commitments to start research for new or more effective drugs, or to increase access for patients to treatments that are already available.

### **Strategic planning**

We produced a three-year strategic plan to cover the period 2012-2014. MSF Ireland has built a strong foundation for a fundraising and a base for public awareness, and the challenge ahead is to capitalise and build on this base to further grow income and strengthen public awareness. For 2012, the core objectives from 2011 will be retained whilst continuing the development of activities in Ireland and maintaining proven cost-effectiveness. Activities will continue to be consolidated with the strategic plans of MSF UK and of the Operational Centre in Amsterdam.



# Médecins Sans Frontières

(Company limited by guarantee)

## Directors' report *(continued)*

### Message from the Directors of MSF Ireland

The Directors are particularly grateful to the personnel that we sent out to field projects during the year. 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 Dublin office. We are extremely grateful for all their support.

### Results

The surplus for the year is as set out in the Income and Expenditure account on page 13.

### Accounting records

The directors believe that they have complied with the requirements of Section 202 of the Companies Act 1990 with regard to books of account by employing personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account are maintained at MSF UK, 67-74 Saffron Hill, London EC1N 8QX and regular returns are made to the company's registered office at 9-11 Upper Baggot Street, Dublin 4.

### Post balance sheet events

There were no significant post balance sheet events which affect the financial statements.

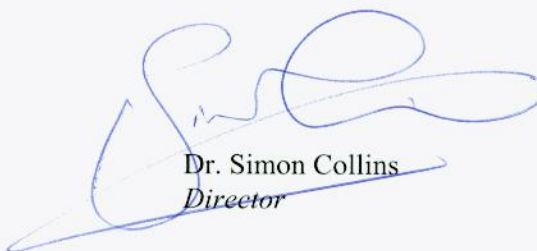
### Auditor

In accordance with Section 160(2) of the Companies Act, 1963, the auditor, KPMG, Chartered Accountants, will continue in office.

On behalf of the board



Bernadette Orbinski Burke  
*Director*



Dr. Simon Collins  
*Director*

2 May 2012

# Médecins Sans Frontières

## Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with Generally Accepted Accounting Practice in Ireland, comprising applicable company law and the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland.

The company's financial statements are required by law to give a true and fair view of the state of affairs of the company and of its surplus or deficit for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

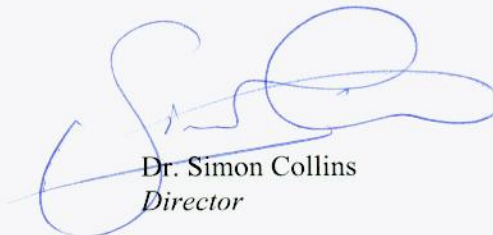
The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Acts, 1963 to 2009. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Acts, 1963 to 2009.

On behalf of the board



Bernadette Orbinski Burke  
*Director*



Dr. Simon Collins  
*Director*



## **Independent auditor's report to the members of Médecins Sans Frontières**

We have audited the financial statements of Médecins Sans Frontières for the year ended 31 December 2011 which comprise the Income and Expenditure Account, Balance Sheet, Cash Flow Statement and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act 1990. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

The Statement of Directors' Responsibilities on page 10 sets out the directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with applicable law and the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Acts, 1963 to 2009. We also report to you our opinion as to: whether proper books of account have been kept by the company and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit, and whether the company's financial statements are in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

## Independent auditor's report to the members of Médecins Sans Frontières (*continued*)

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

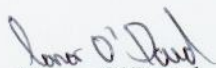
In our opinion:

- the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs at 31 December 2011 and of its surplus for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Acts, 1963 to 2009.

### *Other matters*

We have obtained all the information and explanations which we considered necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the Directors' Report is consistent with the financial statements.

  
Conor O'Dowd

2 May 2012

**For and on behalf of**

**KPMG**

**Chartered Accountants, Statutory Audit Firm**

*1 Stokes Place, St. Stephen's Green, Dublin 2*



# Médecins Sans Frontières

## Income and expenditure account for the year ended 31 December 2011

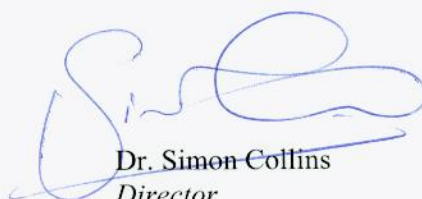
				Year ended 31 December 2011 Total €'000	Year ended 31 December 2010 Total €'000
	Notes	Unrestricted funds €'000	Restricted funds €'000		
<b>Incoming resources</b>					
Donations, legacies and similar income	2	560	246	806	1,096
Grants for operational programmes	3	-	1,220	1,220	997
Supply of staff to overseas projects	4	230	-	230	207
<b>Total incoming resources</b>		<b>790</b>	<b>1,466</b>	<b>2,256</b>	<b>2,300</b>
<b>Resources expended</b>					
Costs of generating funds	5	190	-	190	246
Charitable activities	6	553	1,471	2,024	1,911
Governance costs	7	12	-	12	18
<b>Total resources expended</b>		<b>755</b>	<b>1,471</b>	<b>2,226</b>	<b>2,175</b>
<b>Net incoming resources before taxation</b>	8	<b>35</b>	<b>(5)</b>	<b>30</b>	<b>125</b>
Taxation	11	-	-	-	-
<b>Net incoming resources after taxation</b>	15/16	<b>35</b>	<b>(5)</b>	<b>30</b>	<b>125</b>

The company had no recognised gains or losses in the financial year or preceding financial year other than those dealt with in the income and expenditure account.

On behalf of the board



Bernadette Orbinski Burke  
Director



Dr. Simon Collins  
Director

# Médecins Sans Frontières

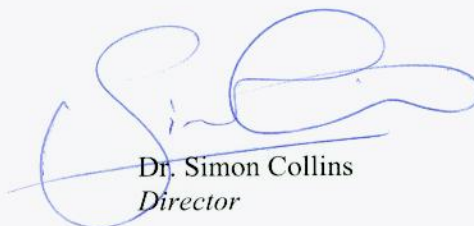
## Balance sheet at 31 December 2011

	Notes	2011 €'000	2010 €'000
<b>Fixed assets</b>			
Tangible assets	12	3	8
<b>Current assets</b>			
Debtors	13	341	539
Cash at bank and in hand	20	201	151
		542	690
<b>Creditors:</b> amounts falling due within one year	14	(266)	(449)
<b>Net current assets</b>		276	241
<b>Net assets</b>	17	279	249
<b>Funds</b>			
Unrestricted funds	15	279	244
Restricted funds	16	-	5
<b>Net funds</b>	17	279	249

On behalf of the board



Bernadette Orbinski Burke  
Director



Dr. Simon Collins  
Director



# Médecins Sans Frontières

## Cash flow statement for the year ended 31 December 2011

	Notes	2011 €'000	2010 €'000
Cash flow from operating activities	19	50	62
Capital expenditure	12	-	(2)
		<hr/>	<hr/>
<b>Increase in cash in the year</b>	20	<b>50</b>	<b>60</b>
		<hr/>	<hr/>

# Médecins Sans Frontières

## Notes

*forming part of the financial statements*

### 1 Accounting policies

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

#### **Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board as promulgated by the Institute of Chartered Accountants in Ireland.

#### **Income recognition**

Income is reflected in the income and expenditure account when the effect of the transaction or other event results in an increase in the charity's assets.

When the charity provides services in accordance with agreements, the income is recognised when the service is provided. Income due but not yet received at the year end is included in debtors on the balance sheet and funds already received in relation to future years but not yet expended are shown in creditors as deferred income. All statutory grants are treated as restricted grants.

Non-statutory grants and donations are recognised when there is evidence of entitlement. Voluntary income is recognised when the income is received.

Donated services, goods and facilities are not quantified in the income and expenditure account.

#### **Cost allocation**

Expenditure is analysed between resources expended on charitable activities, governance costs and the costs of generating funds. Resources expended on charitable activities comprise all the resources applied in undertaking work to meet charitable objectives. These costs include direct costs of undertaking these activities, together with the support costs incurred to enable these activities to be undertaken.

#### **Receivables**

Receivables comprise the value of donations and grants receivable at the end of the accounting period.

#### **Legacies**

Legacy income is recognised on a receivable basis when the company can reliably estimate the amount due, is certain of receipt and has confirmation of entitlement. The recognition of legacy income in the financial statements is dependent on the type of legacy; pecuniary legacies are recognised upon notification of impending distribution, residuary legacies are recognised at the earlier of the cash receipt or agreement of the final estate accounts. Legacies subject to the life interest of another party are not recognised.



# Médecins Sans Frontières

## Notes *(continued)*

### **1 Accounting policies *(continued)***

#### **Income from supply of staff to overseas projects**

Income associated with the invoicing of other MSF sections for the costs of recruitment and remuneration of personnel working on our overseas projects are accounted for on a receivable basis.

#### **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.

#### **Restricted funds**

Restricted funds represent donations received which can only be used for particular purposes.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less estimated residual value, on a straight line basis over their expected useful lives, as follows:

Computer equipment	-	3 years
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#### **Pensions**

Pension benefits are met by payments to an external defined contribution scheme administered by a third party. Contributions are charged to the profit and loss in the period in which they fall due.

#### **Taxation**

No taxation is provided for in these financial statements as the company enjoys charitable status.

#### **Foreign currencies**

Trading activities denominated in foreign currencies are recorded in euro at actual exchange rates as of the date of the transaction. Current monetary assets and liabilities denominated in foreign currencies are reported at the rates of exchange prevailing at the year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is reported as an exchange gain or loss in the income and expenditure account.

#### **Operating leases**

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

# Médecins Sans Frontières

Notes (continued)

## 2 Incoming resources from generated funds - donations, legacies and similar income

	Unrestricted funds €'000	Restricted funds €'000	2011 Total €'000	2010 Total €'000
Appeals income	90	214	304	388
Legacies	-	-	-	4
Corporate	26	2	28	63
Trust	2	20	22	39
Committed giving	334	-	334	317
Other donations	108	10	118	285
	<hr/>	<hr/>	<hr/>	<hr/>
Total voluntary income	560	246	806	1,096
	<hr/>	<hr/>	<hr/>	<hr/>

## 3 Incoming resources from generated funds – grants for operational programmes

	2011 €'000	2010 €'000
<b>Irish aid</b>		
Sri Lanka	34	136
South Sudan	572	255
Democratic Republic of Congo	310	261
Niger	304	345
	<hr/>	<hr/>
	1,220	997
	<hr/>	<hr/>

## 4 Incoming resources from other activities

	Unrestricted funds €'000	Restricted funds €'000	2011 Total €'000	2010 Total €'000
Income from supply of staff to overseas projects	230	-	230	207
	<hr/>	<hr/>	<hr/>	<hr/>



# Médecins Sans Frontières

Notes (continued)

## 5 Costs of generating funds

	Unrestricted funds €'000	Restricted funds €'000	2011 Total €'000	2010 Total €'000
Salaries and pensions	49	-	49	49
Travel and subsistence	2	-	2	3
Other personnel costs	1	-	1	2
Office costs (including depreciation)	12	-	12	12
Professional fees	1	-	1	1
Promotion	125	-	125	179
	<hr/>	<hr/>	<hr/>	<hr/>
	190	-	190	246
	<hr/>	<hr/>	<hr/>	<hr/>

## 6 Expenditure on charitable activities - operational programmes

	Unrestricted funds €'000	Restricted funds €'000	2011 Total €'000	2010 Total €'000
<b>Institutional funds transferred to operational programmes</b>				
Sri Lanka	-	34	34	136
South Sudan	-	572	572	255
Democratic Republic of Congo	-	310	310	261
Niger	-	304	304	345
	<hr/>	<hr/>	<hr/>	<hr/>
	-	1,220	1,220	997
	<hr/>	<hr/>	<hr/>	<hr/>

# Médecins Sans Frontières

Notes (continued)

## 6 Expenditure on charitable activities - operational programmes (continued)

	Unrestricted funds €'000	Restricted funds €'000	2011 Total €'000	2010 Total €'000
<b>Private grants transferred to operational programmes</b>				
Afghanistan	-	7	7	-
Democratic Republic of Congo	-	-	-	1
Niger	-	2	2	1
Somalia	-	213	213	-
Sudan	-	-	-	1
South Africa	-	20	20	7
Zimbabwe	49	1	50	2
Iraq	50	-	50	30
Haiti	43	7	50	430
Pakistan	-	1	1	60
	<b>142</b>	<b>251</b>	<b>393</b>	<b>532</b>
<b>Medical and programme support</b>				
Salaries and pensions	19	-	19	16
Travel and subsistence	2	-	2	2
Other personnel costs	1	-	1	1
Office costs (including depreciation)	13	-	13	12
Professional fees	1	-	1	1
	<b>36</b>	<b>-</b>	<b>36</b>	<b>32</b>



# Médecins Sans Frontières

Notes (continued)

## 6 Expenditure on charitable activities - operational programmes (continued)

	Unrestricted funds €'000	Restricted funds €'000	2011 Total €'000	2010 Total €'000
<b>Recruitment for overseas projects</b>				
Salaries and pensions	12	-	12	13
Travel and subsistence	2	-	2	1
Other personnel costs	1	-	1	5
Office costs (including depreciation)	12	-	12	12
Professional fees	1	-	1	-
	<hr/>	<hr/>	<hr/>	<hr/>
	28	-	28	31
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Temoingnage &amp; advocacy</b>				
Salaries and pensions	65	-	65	62
Travel and subsistence	2	-	2	3
Other personnel costs	1	-	1	1
Office costs (including depreciation)	13	-	13	12
Professional fees	-	-	-	1
	<hr/>	<hr/>	<hr/>	<hr/>
	81	-	81	79
	<hr/>	<hr/>	<hr/>	<hr/>
<b>International staff</b>				
Costs of employing international staff	230	-	230	207
	<hr/>	<hr/>	<hr/>	<hr/>

# Médecins Sans Frontières

## Notes (continued)

### 6 Expenditure on charitable activities – operational programmes (continued)

	Unrestricted funds €'000	Restricted funds €'000	2011 Total €'000	2010 Total €'000
<b>Support costs</b>				
Salaries and pensions	19	-	19	17
Travel and subsistence	2	-	2	1
Other personnel costs	1	-	1	2
Office costs (including depreciation)	13	-	13	12
Professional costs	1	-	1	1
	<hr/>	<hr/>	<hr/>	<hr/>
	36	-	36	33
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total expenditure – operational programmes</b>	<b>553</b>	<b>1,471</b>	<b>2,024</b>	<b>1,911</b>
	<hr/>	<hr/>	<hr/>	<hr/>

### 7 Governance costs

	Unrestricted funds €'000	Restricted funds €'000	2011 Total €'000	2010 Total €'000
Auditor's remuneration	12	-	12	10
Other	-	-	-	8
	<hr/>	<hr/>	<hr/>	<hr/>
	12	-	12	18
	<hr/>	<hr/>	<hr/>	<hr/>

### 8 Net incoming resources

	2011 €'000	2010 €'000
Net incoming resources is stated after charging:		
Depreciation	5	5
Auditor's remuneration	11	11
	<hr/>	<hr/>



# Médecins Sans Frontières

## Notes (continued)

### 9 Directors' remuneration

None of the directors received any remuneration during the year or prior year.

### 10 Staff numbers and costs

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

	2011 Number of employees	2010 Number of employees
Private and institutional fundraising	1	1
Temoignage & advocacy	1	1
Management & administration	1	1
Irish staff on overseas projects	11	10
	<hr/>	<hr/>
	14	13
	<hr/>	<hr/>
	2011 €'000	2010 €'000
The costs of employing those staff was		
Wages and salaries	347	320
Social security costs	31	32
Pension costs	18	12
	<hr/>	<hr/>
	396	364
	<hr/>	<hr/>

In addition to the above, approximately 312 days (equivalent of 1.2 full time employees for the year) of time has been given to the company during 2011 by more than 15 office volunteers.

MSF operates a pay policy whereby the highest paid employee never earns more than 3 times the lowest paid employee. In 2011, no employee earned over €60,000.

Included in total staff costs is an amount of €230,038 (2010: €206,572) reimbursed by other MSF sections. These staff costs, together with associated expenses, are shown as income in the financial statements (see notes 4 and 6).

### 11 Taxation

No taxation is payable as the company enjoys charitable status.

# Médecins Sans Frontières

## Notes (continued)

### 12 Tangible fixed assets

	<b>Computer equipment</b>	
	<b>2011</b>	<b>2010</b>
	<b>€'000</b>	<b>€'000</b>
<b>Cost</b>		
At beginning of year	17	15
Additions	-	2
	<hr/>	<hr/>
<b>At end of year</b>	<b>17</b>	<b>17</b>
	<hr/>	<hr/>
<b>Depreciation</b>		
At beginning of year	9	4
Charge for the year	5	5
	<hr/>	<hr/>
<b>At end of year</b>	<b>14</b>	<b>9</b>
	<hr/>	<hr/>
<b>Net book value</b>		
At end of year	3	8
	<hr/>	<hr/>
At beginning of year	8	11
	<hr/>	<hr/>

### 13 Debtors

	<b>2011</b>	<b>2010</b>
	<b>€'000</b>	<b>€'000</b>
Amounts due from other MSF sections to Irish Aid	8	328
Amounts due from MSF UK	307	169
Amounts due from other MSF sections (see below)	26	39
Other debtors	-	3
	<hr/>	<hr/>
	<b>341</b>	<b>539</b>
	<hr/>	<hr/>

During the year, €230,038 (2010: €206,572) was billed to other MSF sections, €204,066 (2010: €167,837) was recovered, and €25,972 (2010: €38,735) is outstanding as at 31 December 2011.



# Médecins Sans Frontières

## Notes (continued)

<b>14 Creditors:</b> amounts falling due within one year	<b>2011</b>	<b>2010</b>
	<b>€'000</b>	<b>€'000</b>
Amounts received in advance from Irish Aid	8	328
Grants payable to other MSF sections	243	98
PAYE/PRSI	2	9
Accruals	13	14
	<hr/>	<hr/>
	<b>266</b>	<b>449</b>
	<hr/>	<hr/>

<b>15 Unrestricted funds</b>	<b>2011</b>	<b>2010</b>
	<b>€'000</b>	<b>€'000</b>
At beginning of year	244	97
Surplus for the year	35	147
	<hr/>	<hr/>
At end of year	<b>279</b>	<b>244</b>
	<hr/>	<hr/>

## 16 Restricted funds

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

	<b>At beginning of year €'000</b>	<b>Incoming resources €'000</b>	<b>Resources expended €'000</b>	<b>At end of year €'000</b>
Afghanistan	5	2	(7)	-
Niger	-	2	(2)	-
Somalia	-	213	(213)	-
South Africa	-	20	(20)	-
Zimbabwe	-	1	(1)	-
Haiti	-	7	(7)	-
Pakistan	-	1	(1)	-
Irish Aid (Note 6)	-	1,220	(1,220)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	5	1,466	(1,471)	-
	<hr/>	<hr/>	<hr/>	<hr/>

All restricted funds are for specific humanitarian projects in particular areas of the world.

# Médecins Sans Frontières

## Notes (continued)

### 17 Analysis of net assets

	Unrestricted funds €'000	Restricted funds €'000	2011 Total €'000	2010 Total €'000
Tangible fixed assets	3	-	3	8
Other net assets	276	-	276	241
	<u>279</u>	<u>-</u>	<u>279</u>	<u>249</u>

### 18 Commitments

There were no commitments, contracted or otherwise, at 31 December 2011, other than lease commitments. Annual commitments under non cancellable operating leases are as follows:

	Land and buildings 2011 €'000	Other 2011 €'000	2011 Total €'000	Land and buildings 2010 €'000	Other 2010 €'000	2010 Total €'000
Payable on leases in which the commitment expires within:						
- one to two years	36	-	36	-	-	-
- two to five years	-	1	1	38	1	39
	<u>36</u>	<u>1</u>	<u>37</u>	<u>38</u>	<u>1</u>	<u>39</u>

The amounts charged to the income and expenditure account with respect to these contracts in 2011 was €40,000 (2010: €39,000).

### 19 Reconciliation of net incoming resources to cash flows from operating activities

	2011 €'000	2010 €'000
Net incoming resources	30	125
Depreciation	5	5
Decrease (increase) in debtors	198	(492)
(Decrease) increase in creditors	(183)	424
	<u>50</u>	<u>62</u>
Cash flows from operating activities (note 20)		



# Médecins Sans Frontières

Notes (continued)

## 20 Analysis of net cash resources

	At beginning of year €'000	Net cash flows €'000	At end of year €'000
Cash at bank and in hand	151	50	201

## 21 Related party transactions

During the year, the company was charged €1,846 (2010: €2,383) in respect of services performed by Wunrok Limited, a company controlled by Dr. Simon Collins. These costs were ultimately recharged to other MSF sections.

MSF Ireland works in close collaboration with MSF UK on a number of issues. The Head of Office of MSF Ireland is a member of the MSF UK management team and the operational and financial planning for the two entities is done jointly for the purposes of reporting to MSF International.

## 22 Other MSF sections

MSF Australia	Suite C, Level 1, 263 Broadway, NSW 2007, Australia
MSF Austria	Taborstrasse 10, 1020 Vienna, Austria
MSF Belgium	Duprestreet 94, B-1090 Brussels-Jette, Belgium
MSF Canada	720 Spadina Avenue, Suite 402, M5S 2T9 Toronto ON, Canada
MSF Denmark	Kristianiagade 8, 2100 Kobenhavn, Denmark
MSF France	8 rue Saint Sabin, F-75011 Paris, France
MSF Germany	Am Kollnischen Park 1, 10179 Berlin, Germany
MSF Greece	15 Xenias St, 115 27 Athens, Greece
MSF Holland	Plantage Middenlaan 14, PO Box 10014, 1001 EA Amsterdam, THE NETHERLANDS
MSF Hong Kong	22/F Pacific Plaza, 410-418 Des Voeux Road West, Sai Wan, Hong Kong
MSF International	Rue de Lausanne 78, Case Postale, 116, 1211 Geneve 21, Switzerland
MSF Italy	Via Volturmo 58, 00185 Rome, Italy
MSF Japan	3F Waseda SIA Bldg, 1-1 Babashitacho Shinjuku-ku, Tokyo 162-0045, Japan
MSF Luxembourg	68 Rue de Gasperich, L-1617 Luxembourg, Luxembourg
MSF Norway	Posstboks 8813 Youngstorget, 0028 Oslo, Norway
MSF Spain	Nou de la Rambla 26, 08001 Barcelona, Spain
MSF Sweden	Gjorwellsgatan 28, 4 trappor, 10266 Stockholm, Sweden
MSF Switzerland	Rue de Lausanne 78, Case Postale, 116, 1211 Geneve 6, Switzerland
MSF UK	67-74 Saffron Hill, London EC1N 8QX, United Kingdom
MSF USA	333 7 <sup>th</sup> Avenue, 2 <sup>nd</sup> Floor, New York NY 10001, USA

Transactions with the other MSF sections consist of the following:

- Institutional funds transferred for operational programmes (see note 6).
- Expense recharges (see notes 10 and 13)

# Médecins Sans Frontières

## Notes *(continued)*

### **23 Legal status of company**

In accordance with Section 24 of the Companies Act, 1963, the company is exempt from including the word 'limited' in its name. The company is limited by guarantee and has no share capital. At 31 December 2011, there were 11 members (2010: 7 members) whose guarantee is limited to €1 each. This guarantee continues for one year after individual membership ceases.

The company, as a charity, is exempt from the reporting and disclosure requirements of the Companies (Amendment) Act, 1986.

### **24 Approval of financial statements**

The directors approved the financial statements on 2 May 2012.