

# **Médecins Sans Frontières Australia**

ABN 74 068 758 654

Financial Report for the Financial Year

Ended 31 December 2016

# Médecins Sans Frontières Australia

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## Financial report for the financial year ended 31 December 2016

<b>Contents</b>	<b>Page</b>
Directors' Report.....	3
Auditor's Independence Declaration.....	10
Auditor's Report.....	11
Directors' Declaration.....	14
Statement of Comprehensive Income.....	15
Statement of Financial Position.....	16
Statement of Changes in Equity.....	17
Statement of Cash Flows.....	18
Notes to the Financial Statements.....	19

# Médecins Sans Frontières Australia

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## Directors' Report

The directors of Médecins Sans Frontières Australia submit herewith the annual financial report of the company for the financial year ended 31 December 2016.

The names and particulars of the directors during or since the end of the financial year are:

- Dr Stewart Condon** Elected 28 May 2011, re-elected 26 April 2014. President Médecins Sans Frontières Australia from 22 June 14. Resident of Australia. Locum Career Medical Officer – Emergency Department NSW Health. Attended nine out of nine Directors' meetings.
- Mr Hichem Demortier** Treasurer Médecins Sans Frontières Australia from 20 May 2012 until 29 April 2016. Elected 28 May 2011; re-elected 26 April 2014. Resident of Australia. Director Strategy and Corporate Services, National Critical Care and Trauma Response Centre. Attended two out of three Directors' meetings\*.
- Mr Dwin Tucker** Treasurer Médecins Sans Frontières Australia from 29 April 2016. Elected to the Board 16 May 2015. General Manager, International Rubik. Attended nine out of nine Directors' meetings.
- Ms Beth Hilton Thorp** Elected 18 May 2013, re-elected 29 April 2016. Lawyer and consultant. Resident of Australia. Attended eight out of nine Directors' meetings.
- Ms Katrina Penney** Vice President from 31 August 2015. Elected 18 May 2013, re-elected 29 April 2016. Registered Nurse and Midwife. Manager, Refugee Health Screening Service, Auckland. Resident of New Zealand. Attended eight out of nine Directors' meetings.
- Mr Anthony Flynn** Elected to the Board 26 April 2014. Registered Nurse. General Manager, Programs and Information Services, Asthma Foundation Queensland and New South Wales. Resident of Australia. Attended nine out of nine Directors' meetings.
- Dr Tonia Marquardt** Elected to the Board 16 May 2015. Medical Doctor. Resident of Australia. Attended eight out of nine Directors' meetings.
- Dr Matthew Reid** Elected to the Board 16 May 2015. Medical Doctor. Public Health Medicine Specialist, Canterbury District Health Board. Resident of New Zealand. Attended nine out of nine Directors' meetings.
- Dr Philip Humphris** Resident of Australia. Appointed to a casual vacancy 31 August 2015, appointed to the Board 29 April 2016. Medical Doctor. Resident of Australia. Attended nine out of nine Directors' meetings\*.
- Mr Mickael Le Paih** Appointed to the Board 11 February 2015. Member of the Board of Medecins Sans Frontières France. Resident of Egypt. Director General ECHO Humanitarian and Civil Protection Office. Attended seven out of eight Directors' meetings\*.
- Dr Jacqueline Hewitt** Appointed to a casual vacancy 31 August 2016. Medical Doctor. Paediatric Endocrinologist. Resident of Australia. Attended three out of three Directors' meetings\*.
- Dr Luc Frejacques** Appointed to the Board on 2 December 2016. Medical Doctor. Resident of Switzerland. Attended one out of one Directors' meetings\*.
- Dr Méguerditch Terzian** Appointed to the Board on 6 March 2017. Medical Doctor. Resident of France. Attended nil meetings in 2016\*.

# Médecins Sans Frontières Australia

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## Directors' Report (continued)

\* All Directors have held office in the financial year except for:

Mr Hichem Demortier – resigned 29 April 2016

Dr Philip Humphris – appointed 29 April 2016

Dr Jacqueline Hewitt – appointed 31 August 2016

Mr Mickael Le Paih – resigned 1 December 2016

Dr Luc Frejacquess – appointed 2 December 2016, resigned 1 February 2017

Dr Méguerditch Terzian – appointed 6 March 2017

### COMPANY SECRETARY

Mr P. McPhun, Executive Director of Médecins Sans Frontières Australia ('MSF') since 6 December 2010 and Company Secretary of MSF from 11 December 2010 until 10 March 2013, and from 26 April 2014. Worked for MSF in various roles since 1997. Holds an MSc in Humanitarian and Development Practices from Oxford Brookes University.

Ms Melanie Triffitt, Head of Finance and Administration of MSF since 15 August 2011 and Company Secretary of MSF since 10 March 2013.

### SHORT-AND LONG-TERM OBJECTIVES AND STRATEGY

The company's short-and long-term objectives are to:

- Build medico-operational relevance;
- Build reputation and identity of MSF; and
- Generate resources for activation of international humanitarian assistance.

The company's strategy for achieving these objectives includes:

- Provide medico-operational input into MSF field operations with an emphasis on mother and child health and enhance MSF Australia's role as a relevant MSF office with medical expertise in the MSF movement;
- Market the organisations medical humanitarian action to all identified audiences, advocate on behalf of populations in crisis and contribute to improving the quality of medical and operational communication aims of the MSF movement;
- Recruit, prepare and provide professional skilled and motivated career staff prepared for the field and matched to meet needs within the MSF movement from Australia and New Zealand; and
- Encourage the Australian public to financially engage with MSF Australia with enthusiasm, conviction and commitment.

# Médecins Sans Frontières Australia

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## Directors' Report (continued)

### PRINCIPAL ACTIVITIES

The principal activities of the company during the financial year to 31 December 2016 have been:

- Provision of medical expertise in mother and child health through direct visits to MSF medical humanitarian projects overseas, technical support and oversight, preparation of medical field staff, medical training, medico-operational research, medical communications and medical policy development.
- Operational participation in the field projects of the international movement of MSF, through financing field operations assignment of field staff humanitarian relief workers; participation as faculty in various Australian and international training courses for such field staff; and evaluation missions to field projects.
- Community education in the form of dissemination of public information on humanitarian and development issues; provision of materials and source people to journalists in the print and electronic media; publication of newsletters; participation in seminars; and guest lectureships at secondary schools and universities.
- Liaison with institutions and individuals in Australia and internationally, with a view to obtaining funding or other operational support for field projects, and for co-ordination with other organisations involved in overseas humanitarian relief.
- Fundraising from the general public in order to finance the field operations of MSF.

The nature of each of these activities has not changed significantly during the year. They are described in the Annual Review that will be available to the public from July 2017.

### PERFORMANCE MEASURES

The company measures performance through the establishment and monitoring of benchmarks including:

- Operational demand for Sydney Medical Unit expertise in mother and child health continues;
- Field communications, awareness raising, lobbying and advocacy furthered through intervention of the Sydney communications department;
- Australian and New Zealand recruitment and placement executed to meet resource needs identified within the MSF movement;
- Proportion of financial resource spend between social mission and administrative costs within a range of 79-81% social mission and 19-21% administration costs; and
- 6 to 8% year on year growth in fundraising achieved over a multi-year timeframe.

The performance against these key performance indicators is as follows:

- 19 countries with 39 projects required and received technical oversight, field support and some degree of training in mother and child health;
- Media engagement conducted in response to all 2016 emergencies, 2016 awareness campaign conducted, advocacy furthered in response to MSF Access Campaign objectives, MSF International Office objectives, Syria, Afghanistan, Yemen, Papua New Guinea, South Sudan and Mali.
- 70 new recruits and 203 field placements made during 2016 in accordance with identified needs;

# Médecins Sans Frontières Australia

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## Directors' Report (continued)

- Financial resources allocated 81% social mission costs to 19% administration in 2016; and
- 7% private revenue growth achieved in 2016 (higher than expected revenue generated by the fundraising program).

### REVIEW OF OPERATIONS

The net operating surplus for the financial year to 31 December 2016 was \$4,098,537 (2015: \$12,066,563 surplus).

### CHANGES IN STATE OF AFFAIRS

During the financial year there was no significant change in the state of affairs of the company, other than that referred to in the financial statements or notes thereto.

Médecins Sans Frontières Australia continued the strategy of face to face fundraising whereby the organisation contracts a third party to approach members of the public, in public places, to recruit new field partners. The financial impact continues to be that a cost is created at the outset that is more than made up over subsequent years of income. Médecins Sans Frontières Australia continues to diversify its sources of funding, and to increase the proportion of funding that comes from regular field partner donations.

Médecins Sans Frontières Australia continues to contract and pay field staff directly from Australia when they go to the field. Field staff are seconded to and managed by the Operational Centres running the project. The financial impact of this is not significant as the salary cost incurred by Médecins Sans Frontières Australia is recharged to the relevant Operational Centres.

In the current year operational needs have increased. As well as fulfilling Médecins Sans Frontières Australia's budgetary requirements with regards to paying Operational Centres, an additional \$8.5m was committed. As such, at 31 December 2016 there is a significant cash balance with a corresponding payable recorded as a liability. These funds will be paid during 2017, in addition to the normal 2017 grants payable.

In total, during 2016, Médecins Sans Frontières Australia committed \$45,111,325 (2015: \$36,741,800) of funds to the field to Médecins Sans Frontières France, and \$19,333,426 (2015: \$15,774,300) to Médecins Sans Frontières Switzerland.

In selecting the projects which Médecins sans Frontières Australia supports through its grant payments to Operational Centre Paris and Operational Centre Geneva, the DFAT list of developing countries is consulted to ensure compliance requirements are fulfilled.

### DONATIONS IN KIND

Over the course of the year the company has received donations in kind from a number of sources. These donations may be physical assets for use in the company, items to be sent to the field or services provided to Médecins Sans Frontières at reduced rates.

The value of donations in kind received during the year to 31 December 2016 is \$411,606 (2015: \$271,116). This amount has been brought to account in the financial statements.

# Médecins Sans Frontières Australia

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## Directors' Report (continued)

### **VOLUNTARY ASSISTANCE AND FIELD STAFF**

In addition to donations in kind the company recruits a number of staff in the field for Médecins Sans Frontières Operational Centres. There are five Médecins Sans Frontières Operational Centres and they are located in Belgium, France, Holland, Spain and Switzerland. Many of the field staff are professional staff. The company estimates that the total salaries forgone by volunteer field staff working within their professional capacity in Australia for the year ended 31 December 2016 to be approximately \$4,336,000 (2015: \$3,368,000).

The company estimates that the total salaries forgone by volunteer field staff working within their professional capacity in Australia who undertook missions of less than three months to be approximately \$1,073,371 (2015: \$750,000).

Médecins Sans Frontières Australia also have a number of volunteers who freely give their time in the Australia office to assist in office based activities. The estimated value of this is approximately \$154,000 (2015: \$156,000). This time donated by office volunteers, and salaries which would have been paid to the volunteers sent to the field, are not brought to account in the financial statements since they cannot be reliably measured (estimates above are based on high level analysis only).

The Board of Directors and Association also freely give their time to Médecins Sans Frontières Australia, the value of this has not been determined.

### **MONEY SPENT**

The mission of Médecins Sans Frontières Australia is to provide humanitarian assistance to populations in danger and to increase awareness of the plight of these populations. The international Médecins Sans Frontières movement as a whole targets an '80/20 rule' whereby at least 80% of expenditure is directly devoted to this social mission. In 2016 Médecins Sans Frontières Australia spent \$74,167,731 to the social mission therefore representing 81% of total expenditure (2015: \$61,425,716 or 80%). A number of factors impact the ratio and will continue to be ongoing factors:

- Nil government funding in 2016 (2015: \$Nil), which is expected to continue in 2017.
- Maintaining sufficient levels of cash reserves in subsequent years to preserve the safety of operational funding.
- Responding to the operational needs of the Operational Centres.
- Administrative and Fundraising requirements.

### **SUBSEQUENT EVENTS**

There has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

# Médecins Sans Frontières Australia

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## Directors' Report (continued)

### FUTURE DEVELOPMENTS

It is likely that in future financial years the company will continue to provide operational, financial and human resource support to the field operations of Médecins Sans Frontières financed substantially by income from private fundraising. Where possible, subject to the availability of resources, the company intends to increase its level of support for the field operations of Médecins Sans Frontières.

Médecins Sans Frontières Australia is looking to expand its presence into New Zealand in 2017.

### DIVIDENDS

Under the terms of the company's constitution, the company is not authorised to pay dividends.

### INDEMNIFICATION OF OFFICERS

During the financial year, the company paid a premium in respect of a contract insuring the directors and officers of the company (as listed on page 3 of the financial report) against a liability incurred as such a director to the extent permitted by the Australian Charities and Not-for-Profit Commission Act 2012. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The company has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer of the company or of any related body corporate against a liability incurred as such an officer.

### INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

### REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Information about the remuneration of directors and senior management is set out in note 5 of the financial report on page 27.



# Médecins Sans Frontières Australia

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## Independence Declaration

A copy of the Auditor's Independence Declaration that has been provided in accordance with subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012 is set out on page 10.

Signed in accordance with a resolution of the directors.

On behalf of the Directors



Dr Stewart Condon  
Director

Sydney, *29<sup>th</sup> March* 2017



Mr Dwin Tucker  
Director

Sydney, *29<sup>th</sup> March* 2017

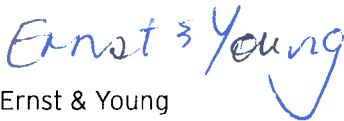


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## Auditor's Independence Declaration to the Directors of Médecins Sans Frontières Australia

In relation to our audit of the financial report of Médecins Sans Frontières Australia for the financial year ended 31 December 2016, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Australian Charities and Not-for profits Commission Act 2012* or any applicable code of professional conduct.

  
Ernst & Young



Loretta Di Mento  
Partner  
29 March 2017

# Independent Auditor's Report to the Members of Médecins Sans Frontières Australia

## Report on the Financial Report

### Opinion

We have audited the financial report of Médecins Sans Frontières Australia (the Company), which comprises the statement of financial position as at 31 December 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the Company's financial position as at 31 December 2016 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

### **Report on the requirements of the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2015* and the requirements of the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)***

We have audited the financial report as required by Section 24(2) of the *NSW Charitable Fundraising Act 1991* and the *WA Charitable Collections Act (1946)*. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2015* and the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*.

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements described in the above-mentioned Acts and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

### **Opinion**

In our opinion:

- a) the financial report of Médecins Sans Frontières Australia has been properly drawn up and associated records have been properly kept during the financial year ended 31 December 2016, in all material respects, in accordance with:
  - i. sections 20(1), 22(1-2), 24(1-3) of the *NSW Charitable Fundraising Act 1991*;

- ii. sections 10(6) and 11 of the NSW Charitable Fundraising Regulations 2015;
  - iii. the WA Charitable Collections Act (1946); and
  - iv. the WA Charitable Collections Regulations (1947).
- b) the money received as a result of fundraising appeals conducted by the company during the financial year ended 31 December 2016 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Act(s) and Regulations.

*Ernst & Young*  
Ernst & Young

*Loretta Di Mento*

Loretta Di Mento  
Partner  
Sydney  
29 March 2017

# Médecins Sans Frontières Australia

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## Directors' Declaration

In accordance with a resolution of the directors of Médecins Sans Frontières Australia, I state that in the opinion of the directors:

- (a) the financial statements and notes of the Company are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, including:
  - (i) giving a true and fair view of the Company's financial position as at 31 December 2016 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-Profits Commission Regulation 2013;and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

## Directors' Declaration under the NSW Charitable Fundraising Act 1991

In accordance with a resolution of the directors of Médecins Sans Frontières Australia, I state that in the opinion of the directors:

- (a) the Statement of Comprehensive Income gives a true and fair view of all income and expenditure of the Company with respect to fundraising appeals;
- (b) the Statement of Financial Position gives a true and fair view of the state of affairs of the Company with respect to fundraising appeals;
- (c) the provisions and regulations of the NSW Charitable Fundraising Act 1991 and the conditions attached to the authority to fundraise have been complied with by the Company; and
- (d) the internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied by the Company from any of its fundraising appeals.

On behalf of the Board

  
Dr Stewart Condon  
Director

Sydney, 29<sup>th</sup> March 2017



Mr Dwin Tucker  
Director

Sydney, 29<sup>th</sup> March 2017

# Médecins Sans Frontières Australia

## Statement of Comprehensive Income for the financial year ended 31 December 2016

	Note	2016 \$	2015 \$
Revenue	4(a)	94,266,720	88,083,098
<i>Social mission costs</i>			
Field costs		(69,616,652)	(57,375,508)
Other project costs		(2,712,366)	(2,414,658)
Community education expenses		(1,834,259)	(1,635,550)
<i>Total social mission costs</i>		<u>(74,163,277)</u>	<u>(61,425,716)</u>
<i>Fundraising and administration costs</i>			
Fundraising costs		(12,413,699)	(11,311,636)
Administration expenses		(3,591,207)	(3,279,183)
<i>Total fundraising and administration costs</i>		<u>(16,004,906)</u>	<u>(14,590,819)</u>
<b>Surplus before tax</b>	4(b)	4,098,537	12,066,563
Income tax expense		-	-
<b>Surplus for the year from continuing operations</b>		<u>4,098,537</u>	<u>12,066,563</u>
<i>Other comprehensive income</i>			
<b>Total comprehensive surplus for the year</b>		<u>4,098,537</u>	<u>12,066,563</u>

Notes to the financial statements are included on pages 19 to 37.



# Médecins Sans Frontières Australia

## Statement of Financial Position as at 31 December 2016

	Note	2016 \$	2015 \$
<b>Current assets</b>			
Cash and cash equivalents		34,660,576	24,984,946
Trade and other receivables	8	1,250,346	860,809
Land and building held for sale		-	425,000
Other	9	3,651,099	103,892
<b>Total current assets</b>		<u>39,562,021</u>	<u>26,374,647</u>
<b>Non-current assets</b>			
Plant and equipment	7	680,864	584,237
Other	20	215,337	215,337
<b>Total non-current assets</b>		<u>896,201</u>	<u>799,574</u>
<b>Total assets</b>		<u>40,458,222</u>	<u>27,174,221</u>
<b>Current liabilities</b>			
Trade and other payables	10	10,441,768	1,283,987
Provisions	11	455,543	397,291
<b>Total current liabilities</b>		<u>10,897,311</u>	<u>1,681,278</u>
<b>Non-current liabilities</b>			
Provisions	12	418,540	449,109
<b>Total non-current liabilities</b>		<u>418,540</u>	<u>449,109</u>
<b>Total liabilities</b>		<u>11,315,851</u>	<u>2,130,387</u>
<b>Net assets</b>		<u>29,142,371</u>	<u>25,043,834</u>
<b>Equity</b>			
Retained Surplus	14	29,142,371	25,043,834
<b>Total equity</b>		<u>29,142,371</u>	<u>25,043,834</u>

Notes to the financial statements are included on pages 19 to 37.

# Médecins Sans Frontières Australia

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## Statement of Changes in Equity for the financial year ended 31 December 2016

	Note	Retained Surplus \$
	<hr/>	<hr/>
<b>Balance at 1 January 2015</b>		12,977,271
Surplus for the year		12,066,563
Other comprehensive income for the year		-
		<hr/> 12,066,563
<b>Balance at 31 December 2015</b>		25,043,834
Surplus for the year		4,098,537
Other comprehensive income for the year		-
		<hr/> 4,098,537
<b>Balance at 31 December 2016</b>	14	<hr/> <hr/> 29,142,371

Notes to the financial statements are included on pages 19 to 37.

# Médecins Sans Frontières Australia

## Statement of Cash Flows for the financial year ended 31 December 2016

	Note	2016	2015
		\$	\$
<b>Cash flows from operating activities</b>			
Receipts from donors and supporters		84,755,918	83,244,672
Receipts for services recharged		4,977,857	4,260,322
Payments for field costs		(56,529,182)	(56,265,186)
Payments to suppliers and employees		(24,007,382)	(23,473,808)
Interest received		882,854	560,787
		<hr/>	<hr/>
Net cash flows from operating activities		10,080,065	8,326,787
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Payments for plant and equipment		(406,280)	(238,925)
Proceeds from the disposal of plant and equipment		1,846	1,177
Net cash flows used in investing activities		(404,434)	(237,748)
		<hr/>	<hr/>
<b>Net increase in cash and cash equivalents</b>		9,675,631	8,8089,039
		<hr/>	<hr/>
<b>Cash and cash equivalents at the beginning of the financial year</b>		24,984,946	16,895,907
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the financial year</b>		34,660,576	24,984,946
		<hr/> <hr/>	<hr/> <hr/>

Notes to the financial statements are included on pages 19 to 37.

# Médecins Sans Frontières Australia

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## Notes to the financial statements for the financial year ended 31 December 2016

### 1. GENERAL INFORMATION

Médecins Sans Frontières Australia is a public company limited by guarantee, incorporated and operating in Australia.

Principal registered office and principal place of business:

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

Tel: (02) 8570 2600

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### Statement of Compliance

The Company has adopted AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements for the financial year beginning on 1 January 2016.

The Company is a registered charity and a reporting entity. Therefore the financial statements or the Company are tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASB – RDRs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-Profit Commission Regulation 2013.

The adoption of AASB1053 and AASB 2010-2 allowed Médecins Sans Frontières Australia to remove a number of disclosures. There were no other impacts on the current or prior year financial statements.

#### Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Australian Charities and Not-for-Profits Commission Act 2012 and Australian Accounting Standards – Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis. All amounts are presented in Australian dollars, unless otherwise noted.

# Médecins Sans Frontières Australia

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## Notes to the financial statements for the financial year ended 31 December 2016

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Standards and Interpretations affecting amounts reported in the current period

##### Standards and Interpretations adopted with no effect on financial statements

In the current year the company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations has had no significant financial effect on these financial statements.

#### Significant accounting policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial report.

(a) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(b) Donations in kind and voluntary assistance

Over the course of the year the company has received donations in kind from a number of sources. These donations may be items used in the office, or services provided at reduced rates. Donations in kind of plant and equipment are recorded at fair value. Items to be used in the office and services provided for no consideration are also brought to account in the financial statements at the fair value of the items or services received.

In addition to donations in kind, both office volunteers and field staff sent to the field donate their time to Médecins Sans Frontières Australia. This time donated by office volunteers and salaries foregone by volunteers sent to the field are not brought to account in the financial statements since they cannot be reliably measured.

(c) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date.

They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

# Médecins Sans Frontières Australia

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## Notes to the financial statements for the financial year ended 31 December 2016

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Employee benefits (continued)

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(d) Fundraising expenses

Fundraising expenses include those costs, which are directly attributable to fundraising, such as function expenses, promotions, printing and mailing and employee expenses. These expenses are brought to account in the period in which they are incurred.

(e) Field costs

Field costs include expenses associated with remitting funds to our Operational Centres and the costs of deploying and paying our field staff.

(f) Trade and other receivables

Trade and other receivables, which comprise amounts due from Médecins Sans Frontières International entities, GST recoverable and others, are recognised and carried at original invoice amount. The carrying amount of the receivable is deemed to reflect fair value. These receivables are non-interest bearing.

An allowance for doubtful debts is made when there is objective evidence that the company will not be able to collect the debts. Bad debts are written off when identified.

(g) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of liabilities as a receivable.

# Médecins Sans Frontières Australia

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## Notes to the financial statements for the financial year ended 31 December 2016

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Goods and services tax (continued)

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(h) Income tax

Section 50-5 of the Income Tax Assessment Act provides that certain bodies will be exempt from income tax. The company is exempt from income tax in accordance with the Act; accordingly no provision for income tax has been recorded.

(i) Leased assets

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Lease incentives

Lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefits of incentives are recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(j) Payables

Trade payables and other accounts payable are recognised when the company becomes obliged to make future payments resulting from the purchase of goods and services.

(k) Plant and equipment

Plant and equipment and leasehold improvements are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item.

# Médecins Sans Frontières Australia

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## Notes to the financial statements for the financial year ended 31 December 2016

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (k) Plant and equipment (continued)

Depreciation is provided on plant and equipment and is calculated on a straight-line basis so as to write off the net cost of each asset over its expected useful life. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

#### Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

#### Derecognition and disposal

An item of plant and equipment is derecognised upon disposal, when the item is no longer used in the operations of the company or when it has no sale value. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

#### (l) Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of provision.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

#### (m) Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised net of the amounts of goods and services tax (GST) payable to the Australia Taxation Office.



# Médecins Sans Frontières Australia

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## Notes to the financial statements for the financial year ended 31 December 2016

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (m) Revenue recognition (continued)

##### i) Revenue from fundraising

###### *Donations*

Donations collected, including cash and goods for resale, are recognised as revenue when the company gains control, economic benefits are probable and the amount of the donation can be measured reliably.

###### *Legacies & Bequests*

Legacies & bequests are recognised when received.

##### ii) Investment income

Investment income mainly comprises interest income. Interest income is recognised as it accrues, using the effective interest method.

##### iii) Asset sales

The gain or loss on disposal of all non-current assets is determined as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

### 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The application of Australian Accounting Standards requires making judgments, estimates and assumptions to be made about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

# Médecins Sans Frontières Australia

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## Notes to the financial statements for the financial year ended 31 December 2016

### 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

The following are the critical judgements that management has made that have the most significant effect on the amounts recognised in the financial statements:

- i. Provisions for employee benefits – management judgement is applied in determining the future increase in wages and salaries, future on cost rates and experience of employee departures and expected period of service. Refer to note 13 for further details.
- ii. Make good provisions - Provisions for future costs to return certain leased premises to their original condition are based on the company's past experience with similar premises and estimates of likely restoration costs. These estimates may vary from the actual costs incurred as a result of conditions existing at the date the premises are vacated.

The above judgements are considered to have a significant effect on the accounts and the basis of estimation are included within Note 2.

# Médecins Sans Frontières Australia

## Notes to the financial statements for the financial year ended 31 December 2016

### 4. REVENUE

	2016	2015
	\$	\$
<b>(a) Revenue</b>		
Revenue from operations consisted of the following items:		
Fundraising revenue:		
Donations	88,313,203	82,843,455
Interest revenue:		
Bank deposits	882,854	560,787
Other revenue:		
Recharge for services to Médecins Sans Frontières International entities	4,591,697	4,296,828
Other income	67,360	110,912
Non-monetary income (donations-in-kind)	411,606	271,116
Total Revenue	<u>94,266,720</u>	<u>88,083,098</u>

### (b) Surplus before tax

Surplus before tax consisted of the following items:

Net gain from sale of plant and equipment	1,846	1,017
Net gain/(loss) from foreign exchange rate movement	81,038	(52,473)
Funds to the field to Médecins Sans Frontières:		
International entities	65,031,937	52,516,100
Depreciation of non-current assets	310,483	217,433
Employee benefits	9,416,722	7,713,192
Payments to superannuation funds	743,853	677,317
Operating lease rental expenses:		
Minimum lease payments	<u>434,180</u>	<u>407,668</u>

# Médecins Sans Frontières Australia

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## Notes to the financial statements for the financial year ended 31 December 2016

### 5. KEY MANAGEMENT PERSONNEL REMUNERATION

The directors and other members of key management personnel of Médecins Sans Frontières Australia during the year were

- Dr Stewart Condon (President, non-executive)
- Mr Hichem Demortier (Treasurer, non-executive), resigned 29 April 2016
- Mr Dwin Tucker (Treasurer, non-executive), appointed as Treasurer 29 April 2016
- Ms Beth Hilton Thorp (non- executive)
- Ms Katrina Penney (non- executive)
- Mr Anthony Flynn (non-executive)
- Mr Mickael Le Paih (non-executive), resigned 1 December 2016
- Dr Luc Frejacques (non-executive), appointed 2 December 2016
- Dr Tonia Marquardt (non-executive)
- Dr Matthew Reid (non-executive)
- Dr Philip Humphris (non-executive), appointed 29 April 2016
- Dr Jacqueline Hewitt (non-executive), appointed 31 August 2016
- Mr Paul McPhun (Executive Director and Company Secretary)
- Mr Warrick Saunders (Head of Fundraising)
- Dr Myrto Schaefer (Head of Medical Unit)
- Mr James Nichols (Head of Communications)
- Mr Robin Sands (Head of Field Human Resources)
- Ms Melanie Triffitt (Head of Finance & Administration and Company Secretary)
- Ms Shereena-Lee Van De Berkt (Head of Domestic Human Resources)

Besides the President, the directors provide their services on a voluntary basis. During the course of their duties, business expenses incurred by the directors were reimbursed (note 16). The aggregate compensation of the key management personnel of the company is set out below:

	2016	2015
	\$	\$
Short term employee benefits	1,113,257	984,696

### 6. REMUNERATION OF AUDITORS

Audit of the financial report	51,500	50,470
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# Médecins Sans Frontières Australia

## Notes to the financial statements for the financial year ended 31 December 2016

### 7. PLANT AND EQUIPMENT

	Office equipment at cost \$	Furniture and fittings at cost \$	Website and software at cost \$	Total \$
<b>Gross carrying amount</b>				
<b>Balance at 1 January 2015</b>	345,014	966,064	164,671	1,475,749
Additions	83,767	68,140	87,018	238,925
Disposals	(52,692)	-	-	(52,692)
	<b>376,089</b>	<b>1,034,204</b>	<b>251,689</b>	<b>1,661,982</b>
<b>Balance at 1 January 2016</b>				
Additions	61,612	13,994	333,403	409,009
Disposals	(4,576)	-	-	(4,576)
	<b>433,125</b>	<b>1,048,198</b>	<b>585,092</b>	<b>2,066,415</b>
<b>Accumulated depreciation and impairment</b>				
<b>Balance at 1 January 2015</b>	(308,900)	(440,100)	(163,844)	(912,844)
Depreciation expense	(44,042)	(164,771)	(8,620)	(217,433)
Disposals	52,532	-	-	52,532
	<b>(300,410)</b>	<b>(604,871)</b>	<b>(172,464)</b>	<b>(1,077,745)</b>
<b>Balance at 1 January 2016</b>				
Depreciation expense	(47,818)	(173,572)	(89,093)	(310,483)
Disposals	2,677	-	-	2,677
	<b>(345,551)</b>	<b>(778,443)</b>	<b>(261,557)</b>	<b>(1,385,551)</b>
<b>Net book value</b>				
As at 31 December 2015	75,679	429,333	79,225	584,237
As at 31 December 2016	87,574	269,755	323,535	680,864

# Médecins Sans Frontières Australia

## Notes to the financial statements for the financial year ended 31 December 2016

8. TRADE AND OTHER RECEIVABLES	2016 \$	2015 \$
Amounts due from Médecins Sans Frontières		
International entities	968,448	488,214
Goods and services tax (GST) recoverable	281,898	166,169
Other	-	206,426
	1,250,346	860,809
	2016 \$	2015 \$
9. OTHER		
Prepayments	105,248	99,753
Inventories	4,139	4,139
Other receivables from sale of shares	3,541,103	-
Other	609	-
	3,651,099	103,892

The amount listed as Other Receivables was shares bequeathed to Medecins Sans Frontieres Australia during 2016. In the event that Medecins Sans Frontieres Australia is the recipient of company shares, the policy is to sell the shares as soon as practically possible. The sale of shares for \$3,541,103 occurred on December 29th 2016 but the income was not received until January 6th 2017.

10. TRADE AND OTHER PAYABLES	2016 \$	2015 \$
Trade payables	1,275,273	222,891
Amounts due to Médecins Sans Frontières international entities	8,500,005	-
Accruals	666,490	1,061,096
	10,441,768	1,283,987

Trade and other payables was higher for the year ending 31 December 2016 as part of the total grants committed for 2016 was not paid as at 31 December 2016, so was held as a payable. This was not the case as at 31 December 2015.

# Médecins Sans Frontières Australia

## Notes to the financial statements for the financial year ended 31 December 2016

	2016 \$	2015 \$
<b>11. CURRENT PROVISIONS</b>		
Employee benefits (note 13)	455,543	397,291
	<b>2016 \$</b>	<b>2015 \$</b>
<b>12. NON-CURRENT PROVISIONS</b>		
Employee benefits (note 13)	138,540	169,109
Make good provision (note 13)	280,000	280,000
	<b>418,540</b>	<b>449,109</b>
	<b>Employee benefits \$</b>	<b>Make Good Provision \$</b>
<b>13. PROVISIONS</b>		
Balance at 1 January 2016	566,400	280,000
Movement	27,684	-
	<b>594,084</b>	<b>280,000</b>
Balance at 31 December 2016	594,084	280,000
<p>The provision for make good represents the present value of the expenditure required to settle the make good obligation at the reporting date.</p>		
<b>14. RETAINED SURPLUS</b>	<b>2016 \$</b>	<b>2015 \$</b>
Balance at the beginning of the financial year	25,043,834	12,977,271
Net surplus	4,098,537	12,066,563
	<b>29,142,371</b>	<b>25,043,834</b>

# Médecins Sans Frontières Australia

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## Notes to the financial statements for the financial year ended 31 December 2016

### 15. MEMBERS GUARANTEE

The company is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 31 December 2016, the number of members was 286 (2015: 274).

### 16. RELATED PARTY DISCLOSURES

Médecins Sans Frontières Australia provides services to and receives services from Médecins Sans Frontières international entities.

The Board of Médecins Sans Frontières Australia approved the reimbursement of the following business expenses incurred by the directors of the company in the course of their duties as a Director during the year.

	\$
Mr Anthony Flynn	1,110
Ms Beth Hilton-Thorp	6,723
Mr Stewart Condon	4,755
Mr Matthew Reid	2,923
Mr Hichem Demortier	625
Ms Katrina Penney	139

### 17. SUBSEQUENT EVENTS

There has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.



# Médecins Sans Frontières Australia

## Notes to the financial statements for the financial year ended 31 December 2016

### 18. COMMITMENTS

#### Operating leases

##### Leasing arrangements

The company has entered into commercial leases of office facilities and office equipment. The lease of office facilities is with a 5 year term and provided the company with a right of renewal for a further 5 years. This operating lease contract contains rent increases per year equivalent to the minimum of 2.5% and CPI. The lease terms of office equipment range from 4 to 5 years. These lease contracts do not have an option to renew the lease or the option to purchase the leased asset at the expiry of the lease period.

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<u>Non-cancellable operating lease payments</u>		
Not longer than 1 year	423,686	417,445
Longer than 1 year and not longer than 5 years	1,817,354	177,811
Longer than 5 years	483,592	-
	<u>2,724,632</u>	<u>595,256</u>

In respect of non-cancellable operating leases, the following liability has been recognised:

Non-current liability:	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Make good provision (note 13)	280,000	280,000

# Médecins Sans Frontières Australia

## Notes to the financial statements for the financial year ended 31 December 2016

### 19. DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

The following disclosure has been made to satisfy the requirements of the Charitable Fundraising Act 1991. Non-monetary income and expenses are disclosed separately, unlike the Income Statement where they are included in the relevant income or cost line.

	2016	2015
	\$	\$
<b>Revenue:</b>		
Donations and gifts		
Monetary	77,818,699	74,222,910
Non-monetary (in-kind)	411,606	271,116
Legacies and bequests	10,494,504	8,620,545
Investment income	882,854	560,787
Other income	4,659,057	4,407,740
<b>Total revenue</b>	<b>94,266,720</b>	<b>88,803,098</b>
<b>Expenses:</b>		
<b>International Aid and Development Programs</b>		
<b>Expenditure</b>		
International programs		
Funds to international programs	69,617,402	57,379,917
Program support costs	2,709,211	2,407,854
Community education	1,834,259	1,635,551
Fundraising costs		
Public	12,068,354	11,102,983
Accountability and administration	3,527,351	3,219,114
Non-monetary expenditure (in kind)	411,606	271,116
<b>Total International Aid and Development Programs</b>		
<b>Expenditure</b>	<b>90,168,183</b>	<b>76,016,535</b>
Excess of revenue over expenses	4,098,537	12,066,563

# Médecins Sans Frontières Australia

## Notes to the financial statements for the financial year ended 31 December 2016

### 20. DETAILED BALANCE SHEET FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	\$	\$
<b>Assets</b>		
Current assets		
Cash and cash equivalents	34,660,576	24,984,946
Trade and other receivables	1,250,345	860,809
Inventories	4,139	4,139
Other financial assets	105,248	99,752
Other receivables	3,541,713	-
Land and building held for sale	-	425,000
<b>Total Current Assets</b>	<u>39,562,021</u>	<u>26,374,646</u>
Non-Current Assets		
Other financial assets	215,337	215,337
Property, plant and equipment	680,864	584,237
<b>Total Non-Current Assets</b>	<u>896,201</u>	<u>799,574</u>
<b>Total Assets</b>	<u>40,458,222</u>	<u>27,174,220</u>
<b>Liabilities</b>		
Current liabilities		
Trade and other payables	10,394,777	1,004,077
Accruals	46,991	279,910
Provisions	455,543	397,291
<b>Total current liabilities</b>	<u>10,897,311</u>	<u>1,681,278</u>
Non-current liabilities		
Provisions	418,540	449,109
<b>Total Non-Current Liabilities</b>	<u>418,540</u>	<u>449,109</u>
<b>Total Liabilities</b>	<u>11,315,851</u>	<u>2,130,387</u>
<b>Net Assets</b>	<u>29,142,371</u>	<u>25,043,833</u>
<b>Equity</b>		
Retained Surplus	29,142,371	25,043,833
<b>Total Equity</b>	<u>29,142,371</u>	<u>25,043,833</u>

# Médecins Sans Frontières Australia

## Notes to the financial statements for the financial year ended 31 December 2016

### 21. DETAILS OF FUNDRAISING APPEALS

	2016	2015
	\$	\$
Details of aggregate gross income and total expenses of fundraising appeals (i):		
Newspaper, magazine advertisements & inserts	48,523	1,126,995
Acquisition	3,281,181	2,822,945
Bequest	10,494,531	8,620,544
Newsletters/appeals	18,765,210	15,326,672
Other general campaign	995,625	3,965,219
Events	572,859	1,026,887
Field partners	38,510,484	32,341,706
On line	10,686,801	12,662,246
Miscellaneous income	-	389,605
Unsolicited income	843,169	3,301,518
Telemarketing	4,114,820	1,259,118
	<u>88,313,203</u>	<u>82,843,455</u>
Less: total direct costs of fund raising appeals		
Newspaper, magazine advertisement & inserts	61,173	71,371
Acquisitions	1,048,060	532,210
Bequest	74,186	23,123
Newsletters/appeals	1,101,964	1,407,488
Other general campaigns	339,874	611,692
Events	39,987	20,943
Field Partners	4,223,676	4,670,747
On line	694,567	100,574
Telemarketing	2,597,624	2,061,824
	<u>10,181,111</u>	<u>9,499,972</u>
Net surplus obtained from fundraising appeals	<u>78,132,092</u>	<u>73,343,483</u>

(i) The Charitable Fundraising Act 1991 defines income from fundraising appeals as excluding bequests and unsolicited donations. The total income shown above includes both bequests and unsolicited donations, shown as separate items. Income excluding these amounts was \$76,975,503 in 2016 (2015: \$70,921,393). Net surplus excluding these amounts was \$66,794,393 in 2016 (2015: \$61,421,421).

Income is reported against the original donation source, in order to reflect the full income generated by appeals.

# Médecins Sans Frontières Australia

## Notes to the financial statements for the financial year ended 31 December 2016

### 22. FUNDS RECEIVED FROM THE GENERAL PUBLIC APPLIED IN CHARITABLE PURPOSES

	2016 \$	2015 \$
Net surplus obtained from fundraising appeals	78,132,092	73,343,483
This was applied to the charitable purposes in the following manner:		
Funds to overseas projects (i)	(69,617,402)	(57,379,917)
Administration expenses (i)	(3,527,314)	(3,219,115)
Balance applied to operational support at Médecins Sans Frontières Australia	4,987,340	12,744,449
Funds to overseas projects were expended by the following parties on behalf of Médecins Sans Frontières Australia:		
Médecins Sans Frontières International	587,186	599,086
Médecins Sans Frontières Switzerland	19,333,426	15,774,300
Médecins Sans Frontières France	45,111,325	36,741,800
Total funds expended	65,031,937	53,115,186
Field staff costs	4,442,871	4,260,321
Emergency response	750	4,410
Total funds to overseas projects	69,475,558	57,379,917

(i) Administration expenses and funds to overseas projects are different from the Statement of Comprehensive Income due to the fact that the above exclude non-monetary expenses as they are not funds received from the general public.

# Médecins Sans Frontières Australia

## Notes to the financial statements for the financial year ended 31 December 2016

### 23. COMPARISONS OF CERTAIN MONETARY FIGURES & PERCENTAGES

#### Gross comparisons including fundraising income and costs not covered by the Charitable Fundraising Act 1991

	2016	2015	2016	2015
	\$	\$	%	%
Total cost of fundraising/ Gross income from fundraising	12,413,699 88,313,203	11,311,636 82,843,455	14	14
Net surplus from fundraising/ Gross income from fundraising	75,899,504 88,313,203	71,531,819 82,843,455	86	86
Total cost of services/ Total expenditure (excluding costs of fundraising)	74,163,277 77,754,484	61,425,716 64,704,899	95	95
Total cost of services/ Total income received (net of fundraising costs)	74,163,277 81,853,021	61,425,716 76,771,462	91	80

#### Comparisons of fundraising income and costs as classified by the Charitable Fundraising Act

Cost of fundraising appeals/ Gross income from fundraising appeals	12,413,699 76,975,503	11,311,636 70,291,393	16	16
Net surplus from fundraising appeals/ Gross income from fundraising appeals	65,164,180 76,975,503	57,742,578 70,291,393	85	81

### 24. LIST OF TYPES OF FUNDRAISING APPEALS CONDUCTED DURING THE FINANCIAL PERIOD

Newspaper and Magazine Advertisements and Inserts  
Direct and Unaddressed Mail Donor Acquisition  
Field Partner (Regular Giving) Acquisition and Retention  
Trusts and Foundations  
Bequest Program  
Major Donor Program  
Tele fundraising Program  
Workplace Giving  
Online