

**Médecins Sans Frontières USA, Inc.
d/b/a Doctors Without Borders USA,
Inc.**

Financial Statements
Years Ended December 31, 2015 and 2014

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d/b/a Doctors Without Borders USA, Inc.

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Independent Auditor's Report

To the Board of Directors of
Médecins Sans Frontières USA, Inc.
d/b/a Doctors Without Borders USA, Inc.
New York, New York

Report on the Financial Statements

We have audited the accompanying financial statements of Médecins Sans Frontières USA, Inc. d/b/a Doctors Without Borders USA, Inc. ("MSF USA"), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Médecins Sans Frontières USA, Inc. d/b/a Doctors Without Borders USA, Inc. as of December 31, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

The financial statements as of and for the year ended December 31, 2014 were audited by other auditors whose report, dated April 20, 2015, expressed an unqualified opinion on those statements.

BDO USA, LLP

April 26, 2016

**Médecins Sans Frontières USA, Inc.
d/b/a Doctors Without Borders USA, Inc.**

Statements of Financial Position

<i>December 31,</i>	2015	2014
Assets		
Cash and cash equivalents (Notes 2 and 14)	\$ 59,303,879	\$153,398,957
Current investments, at fair value (Notes 2 and 3)	163,850,715	83,005,778
MSF USA network receivables	4,193,819	3,825,822
Contributions receivable (Notes 2 and 4)	30,699,244	29,315,946
Pledges receivable, net (Notes 2 and 5)	9,920,205	2,192,457
Prepaid expenses and other assets	1,872,445	1,854,066
Long-term investments, at fair value (Notes 2 and 3)	22,527,171	20,165,045
Fixed assets, net (Notes 2 and 7)	1,860,356	1,563,001
Total Assets	\$294,227,834	\$295,321,072
Liabilities and Net Assets		
Liabilities:		
Grants payable (Note 2)	\$ 450,630	\$ 53,858,002
Accounts payable and accrued expenses	4,229,965	4,371,149
MSF USA network payables	7,140	134,124
Capitalized lease obligation	46,996	25,738
Revocable endowment	2,000,000	2,000,000
Annuity and other life income agreement obligations (Note 6)	9,573,021	6,823,771
Total Liabilities	16,307,752	67,212,784
Commitments and Contingencies (Notes 2, 8, 9, 10, 11, 12 and 14)		
Net Assets (Notes 2, 3, 10, 11 and 12):		
Unrestricted:		
Undesignated	258,164,131	199,852,964
Board designated for reserves	1,388,265	1,416,944
Total Unrestricted	259,552,396	201,269,908
Temporarily restricted	17,694,964	26,204,363
Permanently restricted	672,722	634,017
Total Net Assets	277,920,082	228,108,288
Total Liabilities and Net Assets	\$294,227,834	\$295,321,072

See accompanying notes to financial statements.

**Médecins Sans Frontières USA, Inc.
d/b/a Doctors Without Borders USA, Inc.**

Statements of Activities

Year ended December 31,

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	
				2015	2014
Revenues:					
Public support:					
Contributions and private grants:					
Individual donors/marketing	\$123,581,126	\$ 3,055,722	\$ -	\$126,636,848	\$153,190,278
Sustainer giving	26,908,126	4,055	-	26,912,181	22,479,080
Major gifts	77,721,580	6,087,167	-	83,808,747	75,863,380
Planned giving	46,663,931	2,174,360	50,000	48,888,291	43,306,952
Foundations	10,756,869	4,145,478	-	14,902,347	19,479,126
Corporations	18,323,626	3,235,831	-	21,559,457	17,815,878
Multi-year grants and contributions pledged	-	13,072,866	-	13,072,866	75,112
Total Public Support	303,955,258	31,775,479	50,000	335,780,737	332,209,806
Other Revenues:					
Investment income (loss), net (Notes 2 and 3)	(1,993,270)	(280,091)	(11,297)	(2,284,658)	239,446
Actuarial (loss) gain on annuity and trust obligations (Note 6)	-	(1,541,402)	-	(1,541,402)	177,142
Other revenues	223,292	-	-	223,292	5,220
MSF network grants	3,814,732	-	-	3,814,732	2,826,795
Seconded field staff grants	8,998,978	-	-	8,998,978	9,405,720
Total Other Revenues	11,043,732	(1,821,493)	(11,297)	9,210,942	12,654,323
Total Public Support and Other Revenues	314,998,990	29,953,986	38,703	344,991,679	344,864,129
Contributions of In-kind Services (Note 2)	2,552,830	-	-	2,552,830	920,417
Net Assets Released From Restrictions (Note 11)	38,463,384	(38,463,384)	-	-	-
Total Revenues and In-Kind Services	356,015,204	(8,509,398)	38,703	347,544,509	345,784,546
Expenses:					
Program services:					
Emergency and medical programs	242,155,556	-	-	242,155,556	231,007,413
Program support and development	7,650,226	-	-	7,650,226	6,679,026
Field staff	9,078,997	-	-	9,078,997	9,441,123
Communications	3,663,141	-	-	3,663,141	3,514,989
Total Program Services	262,547,920	-	-	262,547,920	250,642,551
Supporting services:					
Management and general	3,196,661	-	-	3,196,661	2,519,697
Fundraising	29,774,314	-	-	29,774,314	29,520,313
Total Supporting Services	32,970,975	-	-	32,970,975	32,040,010
Total Expenses	295,518,895	-	-	295,518,895	282,682,561
In-kind Services (Note 2):					
Program	1,155,990	-	-	1,155,990	-
Management	1,057,830	-	-	1,057,830	870,297
Total In-kind Services	2,213,820	-	-	2,213,820	870,297
Total Expenses and In-kind Services	297,732,715	-	-	297,732,715	283,552,858
Change in Net Assets	58,282,489	(8,509,398)	38,703	49,811,794	62,231,688
Net Assets, Beginning of Year	201,269,907	26,204,362	634,019	228,108,288	165,876,600
Net Assets, End of Year	\$259,552,396	\$17,694,964	\$672,722	\$277,920,082	\$228,108,288

See accompanying notes to financial statements.

**Médecins Sans Frontières USA, Inc.
d/b/a Doctors Without Borders USA, Inc.**

Statements of Functional Expenses

Year ended December 31,

	Program Services				Supporting Services			Total	
	Program and Support ⁽¹⁾	Field Staff ⁽²⁾	Communications	Total	Management and General	Fundraising	Total	2015	2014
Salaries and benefits	\$ 6,049,227	\$7,978,454	\$2,133,729	\$ 16,161,410	\$2,124,365	\$ 4,436,963	\$ 6,561,328	\$ 22,722,738	\$ 20,370,406
Grants for emergency and medical projects (Note 13)	242,155,556	-	-	242,155,556	-	-	-	242,155,556	231,007,413
Printing and publications	11,796	8	320,611	332,415	576	6,846,973	6,847,549	7,179,964	8,513,622
Rent and occupancy costs	340,324	-	239,811	580,135	211,474	518,544	730,018	1,310,153	1,308,557
Consultancy and project development	339,931	113,083	438,479	891,493	222,356	6,241,789	6,464,145	7,355,638	5,931,691
Fundraising services	23,267	-	3,559	26,826	5,933	5,257,865	5,263,798	5,290,624	5,967,079
Office expense and management	112,711	-	48,234	160,945	62,701	141,401	204,102	365,047	243,632
Office supplies	14,789	-	8,313	23,102	13,009	21,341	34,350	57,452	48,423
Insurance - office and field	28,356	-	16,800	45,156	35,709	35,719	71,428	116,584	66,176
Postage/freight/shipping	25,625	23,699	96,150	145,474	3,305	5,711,031	5,714,336	5,859,810	6,031,968
Professional fees	9,507	-	5,161	14,668	54,642	120,958	175,600	190,268	208,541
Travel and transportation	451,955	896,103	118,632	1,466,690	158,597	92,473	251,070	1,717,760	1,801,324
Financial services	1,788	67,650	1,253	70,691	113,232	3,014	116,246	186,937	160,833
Telecommunications	56,327	-	26,154	82,481	22,300	56,354	78,654	161,135	465,401
Dues and subscriptions	12,049	-	120,125	132,174	30,628	68,845	99,473	231,647	13,195
Recruiting and relocation	54,112	-	19,838	73,950	43,470	47,918	91,388	165,338	241,626
Representation/meetings	29,985	-	5,160	35,145	39,384	38,328	77,712	112,857	111,712
Depreciation	88,477	-	61,132	149,609	54,980	134,798	189,778	339,387	190,962
Total Expenses	\$249,805,782	\$9,078,997	\$3,663,141	\$262,547,920	\$3,196,661	\$29,774,314	\$32,970,975	\$295,518,895	\$282,682,561

See accompanying notes to financial statements.

⁽¹⁾ Includes emergency and medical programs; program support and development.

⁽²⁾ Field staff expenses include costs for U.S. residents working on assignments in MSF field projects overseas and will fluctuate year to year in response to emergency and medical needs.

**Médecins Sans Frontières USA, Inc.
d/b/a Doctors Without Borders USA, Inc.**

Statements of Cash Flows

<i>Year ended December 31,</i>	2015	2014
Cash Flows From Operating Activities:		
Change in net assets	\$ 49,811,794	\$ 62,231,688
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Contributions restricted for long-term purposes	(50,000)	-
Depreciation expense	339,387	190,962
Unrealized losses on investments	4,237,899	200,230
Realized gains on investments	(171,647)	(62,331)
Donated stock	(16,988,073)	27,910,067
Actuarial losses (gains) on annuity and trust obligations	1,541,402	(177,142)
Actuarial liability for annuities and trusts issued	2,256,152	2,270,198
(Increase) decrease in:		
Contributions receivable	(1,383,298)	(8,128,573)
MSF network receivables	(367,997)	(1,109,711)
Prepaid expenses and other assets	(18,379)	(1,129,492)
Pledges receivable	(7,727,748)	2,498,421
Increase (decrease) in:		
Grants payable	(53,407,372)	52,327,446
Accounts payable and accrued expenses	(141,184)	762,816
Revocable endowment	-	2,000,000
MSF network payables	(126,984)	108,495
Net Cash (Used In) Provided By Operating Activities	(22,196,048)	139,893,074
Cash Flows From Investing Activities:		
Purchases of fixed assets	(636,742)	(797,282)
Purchases of investments	(78,719,380)	(8,499,591)
Proceeds from sale of investments	8,434,140	4,304,604
Annuity and trust payments	(1,048,306)	(1,041,013)
Net Cash Used In Investing Activities	(71,970,288)	(6,033,282)
Cash Flows From Financing Activities:		
Capital lease obligations	21,258	(23,354)
Proceeds from contributions restricted for the Endowment Fund	50,000	-
Net Cash Provided By (Used In) Financing Activities	71,258	(23,354)
Net (Decrease) Increase in Cash and Cash Equivalents	(94,095,078)	133,836,438
Cash and Cash Equivalents, Beginning of Year	153,398,957	19,562,519
Cash and Cash Equivalents, End of Year	\$ 59,303,879	\$153,398,957
Supplemental Disclosure of Cash Flow Information:		
Interest paid	\$ 1,298	\$ 3,098

See accompanying notes to financial statements.

Médecins Sans Frontières USA, Inc.
d/b/a Doctors Without Borders USA, Inc.

Notes to Financial Statements

1. Description of Organization

Médecins Sans Frontières USA, Inc., doing business as Doctors Without Borders USA, Inc. (“MSF USA”) was organized in New York State under Section 402 of the Not-For-Profit Corporation Law.

MSF USA is a private, not-for-profit organization devoted to assisting victims of disasters and conflicts worldwide, regardless of race, political beliefs, or religion. The purposes of MSF USA are:

- to support relief projects, including emergency medical relief projects, conducted primarily by the international Médecins Sans Frontières network, wherever in the world medical and public health crises may exist,
- to facilitate the recruitment of medical and other professionals from the United States to participate in these projects, and
- to carry out public education projects to increase public awareness of populations at risk.

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting and have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) as applicable to not-for-profit organizations. In the statement of financial position, assets and liabilities are presented in order of liquidity or conversation to cash and their maturity resulting in the use of cash, respectively.

(b) Financial Statement Presentation

The classification of a not-for-profit organization’s net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the classes of net assets, permanently restricted, temporarily restricted and unrestricted, be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

Permanently Restricted - Net assets resulting from contributions and other inflows of assets whose use by MSF USA is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of MSF USA.

Temporarily Restricted - Net assets resulting from contributions and other inflows of assets whose use by MSF USA is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of MSF USA pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities. Temporarily restricted contributions and grants, the requirements of which are met in the year of donation, are reported as unrestricted.

Unrestricted - Board Designated for Reserves - Net assets consisting of all monies or assets contributed to MSF USA which are designated for future programs by the Board of Directors for long-term investments.

Unrestricted - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

**Médecins Sans Frontières USA, Inc.
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Notes to Financial Statements

(c) Cash and Cash Equivalents

MSF USA considers all highly liquid instruments purchased with a maturity of three months or less and money market and mutual fund accounts with dollar for dollar values to be cash equivalents.

(d) Provision for Doubtful Accounts

MSF USA provides an allowance for doubtful accounts for pledges receivable which are specifically identified by management as to their uncertainty in regards to collectibility.

(e) Contributions and Promises to Give

Contributions and promises to give are recorded as revenue when either unsolicited cash is received or when donors make a promise to give. Contributions and promises to give are classified as either unrestricted, temporarily restricted, or permanently restricted support.

(f) Fixed Assets

Fixed assets are recorded at cost or, if contributed, at market value at date of contribution. Maintenance and repairs are charged to expense and betterments are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful lives of the related assets. The estimated useful lives of the assets are as follows:

Furniture, fixtures and equipment	3 - 10 years
Leasehold improvements	9 - 14 years
Intangible assets	3 - 5 years

(g) Impairment of Long-Lived Assets

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 360, "Property, Plant and Equipment," requires MSF USA to review long-lived assets, such as fixed assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. There were no impairments in 2015 and 2014.

(h) Contributed Services

Services provided for legal, advertising and other services were donated to MSF USA. The estimated fair market value of these services was \$2,213,820 and \$870,297 for the years ended December 31, 2015 and 2014, respectively. These services are reflected as contributions and expenses of services and materials in-kind in the accompanying statement of activities.

(i) Grants Payable

MSF USA records grants as liabilities upon approval by the Board of Directors. Grants awarded and not paid during the fiscal year are due to be paid in the first quarter of the following fiscal period.

**Médecins Sans Frontières USA, Inc.
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Notes to Financial Statements

(j) Income Taxes

MSF USA was incorporated in the State of New York and is exempt from Federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and therefore has made no provision for income taxes in the accompanying financial statements. MSF USA has been determined by the Internal Revenue Service not be a "private foundation" within the meaning of Section 509(a) of the IRC.

Under ASC 740, "Income Taxes", an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not that the position will be sustained upon examination by a taxing authority. The implementation of ASC 740 had no impact on MSF USA's financial statements. MSF USA does not believe it has taken any material uncertain tax positions and, accordingly, it has not recorded any liability for unrecognized tax benefits. MSF USA has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, MSF USA has filed IRS Form 990 information returns, as required, and all other applicable returns in jurisdictions where so required to do so. For the years ended December 31, 2015 and 2014, there were no interest or penalties recorded or included in the statement of activities. As of December 31, 2015 and 2014, the years still subject to examination by a taxing authority are 2012 through 2015.

(k) Comparative Financial Information

The financial statements include certain prior-year summarized comparative information. With respect to the statement of activities, the prior year information is presented in total, not by net asset class. With respect to the statement of functional expenses, the prior year expenses are presented by expense classification in total rather than functional category. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with MSF USA's financial statements for the year ended December 31, 2014, from which the summarized information was derived.

(l) Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates.

(m) Allocation Methodology

Common costs incurred for the administration of the various programs are allocated directly to respective programs as incurred and/or utilizing predetermined allocation rates established by management.

(n) Net Asset Classification

On September 17, 2010, New York State enacted NYPMIFA. This law, which is a modified version of The Uniform Prudent Management of Institutional Funds Act ("UPMIFA"), makes significant changes to the rules governing how New York not-for-profit organizations may manage, invest and spend their endowment funds. The new law is designated to allow organizations to cope more easily with fluctuations in the value of their endowment and to afford them greater access to funds needed to support their programs and services in difficult financial times. This law should provide some relief to organizations that have found themselves with underwater endowments. It also expands the options available to organizations seeking relief from donor restrictions on funds

Médecins Sans Frontières USA, Inc.
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Notes to Financial Statements

that have become obsolete, impracticable or wasteful. NYPMIFA applies to New York not-for-profit, education and religious corporations, associations organized and operated exclusively for charitable purposes and certain trusts.

(o) Fair Value Measurements

ASC 820, "Fair Value Measurement", defines fair value, establishes a framework for measuring fair value and expands the disclosures about fair value measurements. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in a principal or most advantageous market. Fair value is a market-based measurement that is determined based on inputs, which refer broadly to assumptions that market participants use in pricing assets or liabilities. These inputs can be readily observable, market corroborated, or unobservable. ASC 820 established a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value in three broad levels. The standard requires that assets and liabilities be classified in their entirety based on the level of input that is significant to the fair value measurement. Assessing the significance of a particular input may require judgment considering factors specific to the asset or liability, and may affect the valuation of the asset or liability and their placement within the fair value hierarchy. MSF USA classifies fair value balances based on the fair value hierarchy defined by ASC 820 as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. Valuation adjustments and block discounts are not applied to Level 1 instruments.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Investment income is recognized when earned and consists of interest and dividends. Dividends are recorded on the ex-dividend date. Purchases and sales are recorded on a trade-date basis.

(p) Reclassifications

Certain prior year balances have been reclassified to be consistent with the current year financial statement presentation.

**Médecins Sans Frontières USA, Inc.
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Notes to Financial Statements

3. Investments and Fair Value Measurements

The current investments at December 31, 2015 and 2014 consist of securities donated by contributors to MSF USA which have not been converted to cash, deposits in money market funds and other short-term investments designated for current operations. At December 31, 2015 and 2014, current investments consist of the following:

December 31,

	2015		2014	
	Cost	Market	Cost	Market
Money market funds	\$ 51,992,832	\$ 51,997,292	\$75,001,356	\$75,001,356
Equity securities - domestic	10,348,850	10,073,279	-	-
Mutual funds - fixed income	30,713,477	30,713,476	-	-
Corporate bonds	12,920,895	12,977,675	-	-
Government bonds	5,416,211	5,378,953	-	-
Certificates of deposit	20,692,903	20,576,301	-	-
Common stock	35,978	35,978	7,968,623	7,968,623
Fixed income	32,502,890	32,097,761	35,799	35,799
	\$164,624,036	\$163,850,715	\$83,005,778	\$83,005,778

MSF USA's assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with ASC 820. See Note 2 for a discussion of MSF USA's policies regarding this hierarchy. A description of the valuation techniques applied to MSF USA's major categories of assets and liabilities measured at fair value are as follows:

Money Market Funds

Money market deposit accounts are valued at cost plus interest, which approximates fair value.

Equities

These investments are priced using nationally recognized pricing services based on observable market data and are classified as Level 1.

Mutual Funds

Mutual funds are valued at the last reported net asset value ("NAV") of shares held by MSF USA at year-end.

Investments in Securities Traded on a National Securities Exchange or Listed on NASDAQ

Investments in securities traded on a National Securities Exchange or listed on NASDAQ are valued at the last reported sales price on the last business day of the year.

Certificates of Deposit

Certificates of deposit are valued at the last reported value by the banking institution.

MSF USA had no financial assets and liabilities that were measured at fair value on a non-recurring basis during the years ended December 31, 2015 and 2014. In addition, there were no transfers between levels during the years ended December 31, 2015 and 2014.

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Notes to Financial Statements

Long-term investments include the board-designated reserves, term endowments and annuity and charitable remainder trusts. At December 31, 2015 and 2014, long-term investments consisted of the following:

December 31,

	2015		2014	
	Cost	Market Value	Cost	Market Value
Board-designated/revocable endowment/term endowment/endowment:				
Money market	\$ 188,126	\$ 188,136	\$ 1,163,060	\$ 1,163,060
Equities	3,009,532	2,780,105	2,671,360	2,779,890
Fixed income	1,209,468	1,168,587	1,319,434	1,296,210
Non-traditional mutual funds	568,971	544,747	-	-
Real estate	262,560	253,756	-	-
Tangible assets	107,300	81,606	-	-
Total board-designated/term endowment/endowment investments	5,345,957	5,016,937	5,153,854	5,239,160
Annuity and charitable remainder trusts:				
Money market	1,740,391	1,740,391	2,107,846	2,107,846
Fixed income	4,078,189	3,894,558	2,811,902	2,721,665
Equity	10,907,985	10,487,175	8,008,086	8,824,642
Municipal bonds	1,335,873	1,337,582	1,217,873	1,220,950
U.S. government obligations	51,035	50,528	51,682	50,782
Total annuity and charitable remainder trusts	18,113,473	17,510,234	14,197,389	14,925,885
Total long-term investments	\$23,459,430	\$22,527,171	\$19,351,243	\$20,165,045

Net investment income (loss) consisted of the following:

<i>Year ended December 31,</i>	2015	2014
Interest and dividend income, net	\$ 1,781,594	\$377,345
Net realized gain (loss) on investments	171,647	(62,331)
Net unrealized (losses) gains on investments	(4,237,899)	200,230
	\$(2,284,658)	\$515,244

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The following tables show, by level within the fair value hierarchy, MSF USA's financial assets that are accounted for at fair value on a recurring basis as of December 31, 2015 and 2014. The financial assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. MSF USA's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy levels.

December 31, 2015

	Level 1	Level 2	Level 3	Total
Money market fund	\$ 53,856,484	\$-	\$-	\$ 53,856,484
Equity securities - domestic	23,340,558	-	-	23,340,558
Mutual funds - fixed income	30,713,476	-	-	30,713,476
Corporate bonds	12,977,675	-	-	12,977,675
Government bonds	5,429,481	-	-	5,429,481
Common stock	35,978	-	-	35,978
Fixed income	37,230,242	-	-	37,230,242
Non-traditional mutual funds	544,747	-	-	544,747
Real estate	253,756	-	-	253,756
Tangible assets	81,606	-	-	81,606
Municipal bonds	1,337,582	-	-	1,337,582
Certificates of deposit	20,576,301	-	-	20,576,301
	\$186,377,886	\$-	\$-	\$186,377,886

December 31, 2014

	Level 1	Level 2	Level 3	Total
Current investments:				
Money market fund	\$ 75,001,356	\$ -	\$-	\$ 75,001,356
Common stock	35,800	-	-	35,800
Certificates of deposit	7,968,622	-	-	7,968,622
Long-term investments:				
Equities	113,160	-	-	113,160
Money market funds	3,270,906	-	-	3,270,906
Fixed income mutual funds	4,017,874	-	-	4,017,874
Equity mutual funds	11,491,373	-	-	11,491,373
U.S. government obligations	-	50,782	-	50,782
Municipal bonds	-	1,220,950	-	1,220,950
	\$101,899,091	\$1,271,732	\$-	\$103,170,823

4. Contributions Receivable

Contributions receivable represent contributions received by MSF USA as of year-end, but were deposited in the following month of January.

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5. Pledges Receivable, Net

As of December 31, 2015 and 2014, MSF USA had pledges receivable of \$10,268,388 and \$2,540,640, respectively.

The net present value of pledges receivable was calculated at 2.7% and 2.4% discount rates that are equal to the risk-free interest rate, which is the U.S. Treasury note interest rate in effect at the time the contributions are made and equal in duration to the length of time that contribution is expected to be paid over.

The following represents future payments due:

Amount due in:	
2016	\$ 4,819,944
2 - 7 years	5,448,444
	10,268,388
Pledge bad debt allowance	(244,717)
Net present value discount	(103,466)
	\$ 9,920,205

6. Charitable Gift Annuities Payable

Under the Charitable Gift Annuity agreement, donors make contributions in exchange for a promise to receive a fixed amount over a specified period of time, usually the life of the donor or beneficiary. During the term of the agreement, MSF USA acts as custodian of these funds, whereby the asset and the net present value of the related liability are reflected in the statement of financial position. After the term of the agreement, the remaining assets belong to MSF USA. At December 31, 2015 and 2014, the Charitable Gift Annuity investment account, included in investments, at fair value, had a fair market value of \$17,510,234 and \$14,925,855 and the related liability amounted to \$9,573,021 and \$6,823,771, respectively.

The actuarial loss on annuity and trust obligations of \$1,541,402 includes an adjustment of \$1,248,654, recognizing a 15% additional reserve to the Charitable Gift Annuity and other life income agreement obligations, as a result of a change in the accounting estimate beginning in 2015.

7. Fixed Assets, Net

Fixed assets, net consists of the following:

<i>December 31,</i>	2015	2014
Furniture, fixtures and equipment	\$ 1,500,280	\$ 1,476,906
Intangible assets	1,240,920	720,101
Leasehold improvements	1,175,675	1,136,966
Total fixed assets	3,916,875	3,333,973
Less: Accumulated depreciation and amortization	(2,056,519)	(1,770,972)
Fixed assets, net	\$ 1,860,356	\$ 1,563,001

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8. Pension Plans

MSF USA formerly had two 401(k) defined contribution plans covering all headquarter employees and field employees. These plans were merged effective January 1, 2014. Under the merged plan, employees may contribute the lesser of 85% of their salaries or IRS contribution limit. In addition to the IRS contribution limit, there is a catch-up provision of an additional \$5,500 per year for all employees who have reached the age of 50 and elect to contribute the additional funds into their 401(k) account. For all employees, MSF USA matches each contribution up to \$1,200 per year and provides a yearly safe harbor distribution of not less than 3%. Employer contributions under the merged plan vest over a two-year period. During the years ended December 31, 2015 and 2014, MSF USA contributed \$953,159 and \$961,369, respectively.

9. Lease Commitments

MSF USA has a noncancellable operating lease for its office space with an expiration date of June 2021. Rental payments required under the lease are reported as expense on a straight-line basis over the term of the lease. At December 31, 2015, future minimum rental payments under this operating lease are as follows:

<i>Fiscal year ending</i>	<i>Amount</i>
2016	\$1,010,625
2017	1,026,795
2018	1,042,965
2019	1,059,135
2020	1,075,305
Thereafter	541,695
Total	\$5,756,520

Rent expense for the years ended December 31, 2015 and 2014 was \$947,055 and \$947,972, respectively.

10. Board-Designated Fund

The Board of Directors designated a bequest received in prior years as a reserve balance. The balance in this reserve fund was \$1,388,265 and \$1,416,944 as of December 31, 2015 and 2014, respectively. As of December 31, 2015, MSF USA had adequate reserves among its assets for its charitable gift annuity program.

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11. Temporarily Restricted Net Assets and Net Assets Released From Restrictions

Temporarily restricted net assets at December 31, 2015 and 2014 consisted of the following:

<i>December 31,</i>	2015	2014
Emergency and medical relief	\$ 383,921	\$16,105,984
Annuity and charitable remainder trusts	6,693,377	6,943,254
Term endowments	658,852	924,059
Use in future periods - pledge receivables	9,920,205	2,192,457
Accumulated endowment income	38,609	38,609
Total	\$17,694,964	\$26,204,363

Net assets were released from donor restrictions at December 31, 2015 and 2014 by incurring expenses satisfying the restricted purposes specified by donors:

<i>December 31,</i>	2015	2014
Emergency and medical relief	\$33,118,266	\$27,391,712
Endowment income	-	17,613
Time restrictions expired	5,345,118	3,300,016
Total	\$38,463,384	\$30,709,341

12. Endowment Fund

MSF USA's endowment fund consists of both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. Under 958-205, the following applies to the endowment funds.

Investment and spending policies - MSF USA has adopted investment and spending policies for endowment assets that attempt to provide a stream of returns that would be utilized to fund various programs while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that MSF USA must hold in perpetuity, and as directed by the donors, and those assets that are Board designated, as approved by the Board of Directors of the Foundation. The endowment funds are invested in vehicles such as money market funds, equities, fixed income, hedge funds, real estate and tangible assets.

MSF did not spend any of the endowment investment during 2015.

MSF USA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- the duration and preservation of the funds;
- the purposes of MSF USA and the donor-restricted endowment funds;
- general economic conditions;
- the possible effect of inflation and deflation;

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- the expected total return from income and the appreciation/depreciation of investments;
- other resources of MSF USA; and
- the investment policy of MSF USA.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or state standards require MSF USA to retain as a fund of perpetual duration. At December 31, 2015, no donor-restricted endowment funds have fallen below the required level.

The following table represents the endowment net asset composition by type of fund as of December 31, 2015 and 2014:

December 31,

	2015				2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$25,389	\$688,841	\$ 714,230	\$ -	\$25,389	\$647,237	\$ 672,626
Board-designated endowment funds	1,388,265	-	-	1,388,265	1,416,944	-	-	1,416,944
Total funds	\$1,388,265	\$25,389	\$688,841	\$2,102,495	\$1,416,944	\$25,389	\$647,237	\$2,089,570

MSF USA classifies the original value of gifts received with donor stipulations that require them to be held in perpetuity as permanently restricted net assets. Income earned on such gifts is classified as temporarily restricted.

The following table represents the reconciliation of changes in endowment net assets for the years ended December 31, 2015 and 2014:

Year ended December 31,

	2015				2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$1,416,944	\$25,389	\$647,237	\$2,089,570	\$1,373,517	\$25,389	\$534,017	\$1,932,923
Contributions	-	-	50,000	50,000	-	-	100,000	100,000
Investment return	(28,679)	-	(8,396)	(37,075)	85,679	-	30,833	116,512
Endowment income designated for current operation	-	-	-	-	(42,252)	-	(17,613)	(59,865)
Endowment net assets, end of year	\$1,388,265	\$25,389	\$688,841	\$2,102,495	\$1,416,944	\$25,389	\$647,237	\$2,089,570

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13. Grants

During the years ended December 31, 2015 and 2014, MSF USA awarded grants for emergency and medical relief projects to Médecins Sans Frontières international members for overseas operations and to the Drugs for Neglected Diseases Initiative, a not-for-profit organization, of which MSF USA is a founding member, as follows:

<i>Year ended December 31,</i>	2015	2014
Afghanistan	\$ 7,629,552	\$ 8,057,012
Armenia	1,270,270	1,442,713
Bangladesh	250,000	100,000
Bolivia	150,000	270,000
Burkina Faso	-	771,341
Cambodia	1,227,015	885,579
Cameroon	4,500,000	600,000
Central African Republic	21,603,056	9,096,502
Chad	3,258,719	5,861,935
Colombia	2,100,000	4,218,800
Congo (DRC)	23,423,844	23,803,135
Egypt	-	600,000
Ethiopia	6,193,621	8,310,640
Georgia	497,426	1,028,491
Greece	531,250	-
Guinea	9,024,895	3,526,183
Guinea-Bissau	-	935,000
Haiti	10,286,724	15,271,326
Honduras	-	300,000
India	2,030,000	1,910,000
Iraq	2,117,660	4,685,518
Italy	1,425,000	-
Ivory Coast	2,293,643	1,564,253
Jordan/ Iraq	12,403,101	9,924,131
Kenya	7,286,098	5,899,878
Kyrgyzstan	700,000	800,000
Lebanon	800,000	800,000
Lesotho	807,607	-
Liberia	2,494,811	3,000,000
Libya	1,893,620	-
Madagascar	-	414,222
Malawi	2,333,794	785,594
Mali	7,342,078	5,889,021
Mauritania	-	2,400,000
Mexico	1,978,500	2,435,420
Mozambique	700,000	1,200,000
Myanmar	3,100,000	785,000
Nepal	1,653,720	-
Niger	7,012,656	8,190,209

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<i>Year ended December 31,</i>	2015	2014
Nigeria	\$ 7,240,120	\$ 5,178,323
Pakistan	5,060,273	9,422,598
Occupied Palestinian Territories	2,297,015	2,130,000
Papua New Guinea	2,575,943	1,507,500
Philippines	1,511,807	1,335,000
Russia (North Caucasus)	1,785,337	2,458,506
Sierra Leone	1,978,478	5,808,383
South Africa	2,459,204	3,600,000
South Korea (North Korean Refugees)	150,000	150,000
South Sudan	26,410,137	32,472,441
Sudan	2,200,000	2,909,320
Swaziland	1,350,000	2,300,000
Syria	2,980,308	3,310,088
Tajikistan	400,000	-
Tanzania	800,000	-
Uganda	1,618,536	3,513,977
Ukraine	6,476,961	1,800,000
Uzbekistan	1,110,000	1,110,000
Yemen	18,425,720	7,599,862
Zimbabwe	60,000	1,260,000
Access Campaign	1,060,913	791,748
Drugs for Neglected Diseases initiative	950,484	901,500
Epicentre	-	3,229,572
MSF International Office	2,811,003	2,347,853
International Innovation Fund	122,642	108,839
	\$242,155,556	\$231,007,413

14. Concentration of Credit Risk

The financial instruments that potentially subject MSF USA to concentration of credit risk consist primarily of cash and cash equivalents. At various times, MSF USA has cash deposits at financial institutions which exceed the Federal Deposit Insurance Corporation ("FDIC") limit.

15. Subsequent Events

MSF USA's management has performed subsequent events procedures through April 26, 2016, which is the date the financial statements were available to be issued and there were no subsequent events requiring adjustment to the financial statements or disclosures as stated herein.