



**FEDERACIÓN DE ASOCIACIONES
MEDICUS MUNDI ESPAÑA (F.A.M.M.E.)**

Auditor's Report on the annual accounts
Exercise 2016

May 2017, 16th

GM AUDITORS, S.L.

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Núm.3299/17

AUDITOR'S REPORT ON THE ANNUAL ACCOUNTS

(Translation from the original in Spanish. In the event of discrepancy, the original Spanish version prevails)

To the Associations, members of the FEDERACIÓN DE ASOCIACIONES MEDICUS MUNDI ESPAÑA (F.A.M.M.E.) by appointment of its Executive Board:

We have audited the accompanying annual accounts of FEDERACIÓN DE ASOCIACIONES MEDICUS MUNDI EN ESPAÑA (F.A.M.M.E.), which comprise the Balance Sheet as at 31 December 2016, the Income Statement and the related explanatory report for the year then ended.

Executive Board's Responsibility for the Annual Accounts

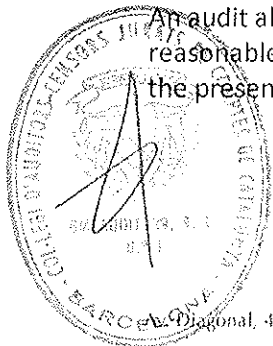
The Executive Board is responsible for the preparation and fair presentation of the attached Annual Accounts, so that they show a true and fair view of the equity, financial situation and results of F.A.M.M.E., in accordance with the regulatory framework on financial information that applies to the Entity in Spain, identified in Note 2 of the attached explanatory report, and for such internal control as management determines is necessary to enable the preparation of annual accounts so that they are free from any material error or misstatement due to fraud or error.

Auditor's responsibility

It is our responsibility to express an opinion on the attached annual accounts based on our audit. We have carried out our audit in accordance with the effective regulatory legislation on audits in Spain. Said legislation requires our compliance with ethical requirements, in addition to planning and executing the audit in order to ascertain with reasonable certainty that the annual accounts are free of material error or misstatement.

Some procedures are required in order to obtain auditory evidence on the amounts and information provided in the annual accounts. The procedures selected are at the auditor's discretion, including the risk assessment for material error or misstatement in the annual accounts due to fraud or error. When carrying out said risk assessments, the auditor considers the relevant internal audits on the annual accounts, carried out by the Entity, in order to choose the most appropriate auditing procedures based on the circumstances and not with the aim of providing an opinion on the effectiveness of the Entity's internal auditing procedure.

An audit also includes an assessment of the adequacy of the accounting policies applied and the reasonableness of the accounting estimations made by Management, in addition to assessing the presentation of the annual accounts as a whole.



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It is our belief that the auditing evidence we have obtained provides a sufficient and adequate basis for our auditing opinion.

Opinion

It is our opinion that the attached annual accounts provide, for all intents and purposes, a true and fair view of the equity and financial situation of F.A.M.M.E., on 31 December 2016, in addition to the results thereof, corresponding to the financial year ending on the aforementioned date. The foregoing is in accordance with the applicable regulatory framework on financial information and, in particular, with the accounting principles and criteria contained therein.

Paragraph of other issues

Note 17 of the related explanatory report is not part of the audited annual accounts.

Barcelona May 2017, 16th

GM AUDITORS, SL
(ROAC Nº S0213)

David Sallán Mata
Partner

Col·legi
de Censors Jurats
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Document: FINANCIAL STATEMENT
 Entity: FEDERATION OF MEDICUS MUNDI ASSOCIATIONS
 Year: 2016

ASSETS		Notes	2016	2015
A)	FIXED ASSETS		287.839,31	2.266.496,12
I.	Intangible fixed assets	Note 5.1	9.861,50	14.792,25
III.	Tangible fixed assets	Note 5.2	277.840,66	276.566,72
VI.	Non-current financial investments	Note 7	137,15	137,15
VIII.	Debtors for long-term grants			1.975.000,00
B)	CURRENT ASSETS		3.312.746,37	2.608.147,12
II.	Users and other debtors related to own activity	Note 6	2.141.000,00	2.354.599,00
III.	Trade debtors and others receivables	Note 7	12.283,45	10.935,19
1.	Sales and services customers		414,64	1.408,37
3.	Other debtors		11.868,81	9.526,82
IV.	Short-term accounts with MM Associat.	Note 7	81.467,31	2.474,20
V.	Other short-term accounts	Note 7.1	66.735,19	66.682,71
VII.	Cash and other equivalent liquid assets	Note 7	1.011.260,42	173.456,02
TOTAL ASSETS			3.600.585,68	4.874.643,24

Document: **FINANCIAL STATEMENT**
 Entity: **FEDERATION OF MEDICUS MUNDI ASSOCIATIONS**
 Year: **2016**

NET ASSETS AND LIABILITIES		Notes	2016	2015
A)	NET ASSETS		478.046,34	263.441,88
A-1	Own funds	Note 9	474.847,24	250.839,11
I.	Social fund		173.635,94	120.202,42
II.	Reserves		130.636,69	109.255,98
III.	Retained profits from previous years			
IV.	Retained profit (loss) for the year	Note 3	170.574,61	21.380,71
A-3	Specific donations and bequests/ legacies received		3.199,10	12.602,77
B)	NON- CURRENT LIABILITIES		55.018,41	2.051.657,99
II.	Long term debts	Note 8	50.328,25	2.042.037,08
1.	Amounts owed to credit institutions		50.328,25	67.037,08
3.	Other long- term debts			1.975.000,00
3.1	Other long-term debts with MM Associations			1.975.000,00
4.	L/T debts convertible into grants, donat. & legacies			
V.	Long term debts		4.690,16	9.620,91
C)	CURRENT LIABILITIES		3.067.520,93	2.559.543,37
II.	Short-term (S/T) debts	Note 8	96.483,47	183.467,44
1.	Amounts owed to credit instituions		16.483,47	16.529,37
3.	Other short-term debts			
4.	S/T debts convertible into grants, donat. & legacies		80.000,00	166.938,07
III.	Short-term debts with MM Associations	Note 8	2.947.471,92	2.354.859,19
V.	Trade creditors and other payables	Note 8	15.186,37	13.364,69
1.	Suppliers			
2.	Other creditors		8.616,12	7.037,72
3.	Other payables to Public Authorities		6.570,25	6.326,97
VI.	Short-term accruals and deferrals		8.379,17	7.852,05
TOTAL NET ASSETS AND LIABILITIES			3.600.585,68	4.874.643,24

Document: **FINANCIAL STATEMENT**

Entity: **FEDERATION OF MEDICUS MUNDI ASSOCIATIONS**

Year: **2016**

FINANCIAL STATEMENT		Notes	2016	2015
A)	SURPLUS/ (DEFICIT) FOR THE YEAR		170.574,61	21.380,71
1.	Income related to the Entity's activity	Note 10	352.219,23	225.575,73
a)	Associate and affiliate fees		88.575,00	92.666,00
b)	User contributions			
c)	Income from promotions, sponsorships and partnerships			
d)	Grants, donations & legacies charged to the surplus/ (deficit) for the year		212.047,27	82.633,04
e)	Repayment of aid and allocations			
f)	Donations received		51.596,96	50.276,69
2.	Sales and other ordinary income from commercial activities	Note 10	5.817,96	1.163,94
3.	Aid and other expenditure	Note 11.1	- 2.782,27	- 2.402,97
a)	Cash aid			
c)	Exp. Arising from cooperation agreements and governmental		- 2.782,27	- 2.402,97
d)	Repayments of grants, donations and legacies			
7.	Other Activity Income	Note 11.6	27.919,94	17.594,80
8.	Staff costs	Note 11.3	- 115.839,19	- 110.247,96
9.	Other activity expenditure	Note 11.4	- 83.363,48	- 97.454,75
10.	Depreciation of fixed assets		- 13.232,55	- 12.712,04
11.	Capital grants, donations & legacies transferred to surplus for the year		752,22	300,53
12.	Reversal of provisions			
13.	Impairment & loss on disposal of fixed assets			
14.	Other income	Note 11.7	233,89	4,84
A.1)	ACTIVITY SURPLUS/ (DEFICIT)		171.725,75	21.822,12
15.	Financial income	Note 11.8	0,61	0,12
16.	Financial costs		- 555,05	- 907,57
17.	Fair value adjustment on financial instruments		- 596,70	444,34
18.	Exchange rate differences			21,70
19.	Impairment and loss on disposal of financial instruments			
A.2)	SURPLUS/ (DEFICIT) ON FINANCIAL TRANSACTIONS		- 1.151,14	- 441,41

A.3)	SURPLUS/ (DEFICIT) BEFORE TAX		170.574,61	21.380,71
	20. Corporate income tax			
A.4)	NET ASSETS ADJUSTMENTS RECOGNISED IN THE SURPLUS/ (DEFICIT) FOR THE YEAR		170.574,61	21.380,71
B)	INCOME & EXPENDITURE CHARGED DIRECTLY TO NET ASSETS			
	1. Public grants received		7.970,22	53.059,88
	2. Private grants, donations and legacies received-		105.710,84	18.602,86
	2.1 Private grants received.		105.710,84	18.602,86
	2.1 Private donations and legacies received			
	3. Private donations & legacies received			
B.1)	INCREASE/ (DECREASE) IN NET ASSETS ARISING FROM DIRECTLY CHARGED INCOME & EXPENDITURE		113.681,06	71.662,74
C)	RECLASSIFICATIONS RELATED TO THE SURPLUS/ (DEFICIT) FOR THE YEAR			
	1. Public grants received		- 6.613,45	- 53.059,88
	2. Private grants, donations and legacies received-		- 116.471,28	- 29.873,69
	2.1 Private grants received.		- 105.710,84	- 17.300,53
	2.1 Private donations and legacies received		- 10.760,44	- 12.573,16
C.1)	INCREASE/ (DECREASE) IN NET ASSETS ARISING FROM SURPLUS/ (DEFICIT) RECLASSIFICATIONS FOR THE YEAR		- 123.084,73	- 82.933,57
D)	INCREASE/ (DECREASE) IN NET ASSETS ARISING FROM DIRECTLY CHARGED INCOME & EXPENDITURE		- 9.403,67	- 11.270,83
E)	POLICIES			
F)	ERRORS ADJUSTMENTS			
G)	INCREASE/ (DECREASE) IN THE SOCIAL FUND	Note 9	53.433,52	
H)	OTHER INCREASES/ (DECREASES)			
I)	TOTAL SURPLUS/ (DEFICIT) & INCREASE/ (DECREASE) TO NET ASSETS FOR THE YEAR		214.604,46	10.109,88

GM3 299/17

SEGMENTED INCOME STATEMENT 2016 BY PROCESSES

HOW	ITEM	ASSOCIATION	RIGHT TO HEALTH				SOCIAL TRANSF. & CITIZ. CONSTRUCTION				ASSOCIATIONS DEV. & SOCIAL SUPPORT			TOTAL	
			DEVELOP MENT PROJECT S	HUMAN. AID PROJECT S	SOCIAL ACTION PROJECT S	STUDIES (Only Health)	POLITICA L & SOCIAL INCID. (Only Health)	EDUCATI ON AWA REN ESS- RAISING PROJECT S	GENDER	FAIR TRADE	STUDIES (Only Non- Health)	POLITICA L & SOCIAL INCID. (Only Non- Health)	COMMUNIC ATION		MARKETI NG AND FUNDRAI SING
	INCOME	362.546,41	6.184,00				0,00				18.293,44			387.023,85	
	Inc. Entity's activity													180.011,73	
	income from commercial activities	5.817,96													5.817,96
	* MM Assoc. member fees	88.575,00													88.575,00
	* General donations	18.391,63													18.391,63
	* Corporate donations	33.205,33													33.205,33
	* Users donations & sponsors incomes														
	* Other current activity	5.787,37													5.787,37
	* Other activity income	14.202,94													14.202,94
	* Services provided	0,61													0,61
	* Extraord. Income (& non-current assets income)	313,89													313,89
	Total activity income	166.294,73													166.011,73
	Other income													207.012,12	
	* Donations and legacies execut.income	84.679,61													84.679,61
	* Projects income														0,00
	* In. from priv. grants & restric. don.														0,00
	* Income from public grants														0,00
	* Management inc. grants and restricted donations income	105.710,84													105.710,84
	Total other income	196.251,68	0,00	0,00	0,00	0,00	2.424,39	0,00	0,00	0,00	0,00	8.336,05	0,00	0,00	196.251,68
	Financial year gap													0,00	
	TOTAL	362.546,41	0,00	0,00	0,00	0,00	5.184,00	0,00	0,00	0,00	0,00	18.293,44	0,00	0,00	387.023,85

GM3 299/17

NOW	ITEM	ASSOCIATION	RIGHT TO HEALTH						SOCIAL TRANSF. & CITIZ. CONSTRUCTION					ASSOCIATIONS DEV. & SOCIAL SUPPORT			TOTAL
			DEVELOPMENT PROJECTS	HUMAN AID PROJECTS	SOCIAL ACTION PROJECTS	STUDIES (Only Health)	POLITICAL & SOCIAL INCID. (Only Health)	EDUCATIONALS AWARENESS RAISING PROJECTS	GENDER	FAIR TRADE	STUDIES (Only Non-Health)	POLITICAL & SOCIAL INCID. (Only Non-Health)	COMMUNICATION	MARKETING AND FUNDRAISING	VOLUNTEERISM		
	EXPENDITURE	140.368,27	39.040,96	5.407,50	31.632,51	216.449,24											
	* Cash & non- cash aid/ repayments																0,00
	* Supplies (only projects)																0,00
	* Supplies																0,00
	* Outside services	34.626,51				11.649,70											83.316,22
	* Taxes	47,26															47,26
	* Staff costs	88.447,93				27.391,26											115.839,19
	* Exp. coop. agreem'ts & gov. bods.	2.782,27															2.782,27
	* Financial costs	1.151,75															1.151,75
	* Exceptional exp. & other losses	80,00															80,00
	* Depreciation	13.232,55															13.232,55
	* Provisions & other dot.																0,00
	* Business Tax																0,00
	Total expenditure	140.368,27	0,00	0,00	0,00	39.040,96	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	27.115,41	216.449,24
	Surpl./ (defic.) for year																
	TOTAL	140.368,27	0,00	0,00	0,00	39.040,96	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	27.115,41	170.574,51
																	397.023,95

Association Expenses Ratio over Total Managed Resources: 64,85%

Right to Health Expenses Ratio over Total Managed Resources: 18,04%

Social Transformation & Citizenship Construction Expenses Ratio over Total Managed Resources: 2,50%

Associative Development & Social Responsibility Expenses Ratio over Total Managed Resources: 14,61%

SEGMENTED INCOME STATEMENT 2015 BY PROCESSES															
NOW	BEFORE	ITEM	ASSOCIATION	RIGHT TO HEALTH				SOCIAL TRANSF. & CITIZ. CONSTRUCTION				ASSOCIATIONS DEV. & SOCIAL SUPPORT			TOTAL
				DEVELOPM ENT PROJECTS	HUMAN. AID PROJECTS	SOCIAL ACTION PROJECTS	STUDIES (Only Health)	POLITICAL & SOCIAL INCID. (Only Health)	EDUCATI ON ANS AWARENESS- RAISING PROJECTS	GENDER	FAIR TRADE	STUDIES (Only Non-Health)	POLITICA L & SOCIAL INCID. (Only Non-Health)	COMMUN ICATION	
		INCOME	177.548,39	59.579,69	0,00	0,00	0,00	0,00	0,00	0,00	0,00	8.173,55	8.173,55	245.301,63	
		Inc. Entity's activity													
		income from commercial activities	1.163,94											1.163,94	
		* MM Assoc. member fees	92.666,00											92.666,00	
		* General donations	20.594,71											20.594,71	
		* Corporate donations	29.681,98											29.681,98	
		* Users donations & sponsors incomes												0,00	
		* Other current activity	300,53											300,53	
		* Other activity income	15.474,60				2.120,20							17.594,80	
		* Services provided	661,79											661,79	
		* Extraord. Income (& non-current assets income)	4,84											4,84	
		Total activity income	160.548,39	59.579,69	0,00	0,00	2.120,20	0,00	0,00	0,00	0,00	0,00	8.173,55	162.668,59	
		Other income													
		* Donations and legacies execut.income												0,00	
		* Projects income												0,00	
		* In. from priv. grants & restric. don.					4.399,61						8.173,55	12.573,16	
		* Income from public grants					25.022,88							53.059,88	
		* Management inc. grants and restricted donations	17.000,00											17.000,00	
		* Public grants manag.income												0,00	
		Total other income	17.000,00	0,00	0,00	0,00	29.422,49	0,00	0,00	0,00	0,00	0,00	8.173,55	82.633,04	
		Financial year gap													
		TOTAL	177.548,39	59.579,69	0,00	0,00	31.542,69	0,00	0,00	0,00	0,00	0,00	8.173,55	245.301,63	

GM3 299 / 17

NOW	ITEM	ASSOCIATION	RIGHT TO HEALTH				SOCIAL TRANSF. & CITIZ. CONSTRUCTION				ASSOCIATIONS DEV & SOCIAL SUPPORT			TOTAL	
			DEVELOPMENT PROJECTS	HUMAN AID PROJECTS	SOCIAL ACTION PROJECTS	STUDIES (Only Health)	POLITICAL & SOCIAL INCID. (Only Health)	EDUCATIONAL AWARENESS PROJECTS	GENDER	FAIR TRADE	STUDIES (Only Non-Health)	POLITICAL & SOCIAL INCID. (Only Non-Health)	COMMUNICATION		MARKETING AND FUNDRAISING
	EXPENDITURE	126.410,16	75.818,59	4.635,00	17.057,17	223.920,92									
	* Cash & non-cash aid/ repayments														0,00
	* Supplies (only projects)														0,00
	* Supplies														0,00
	* Outside services	30.798,53	28.037,00			16.908,31				4.635,00	13.438,26	3.586,91		32,00	97.436,01
	* Taxes	18,74													18,74
	* Staff costs	79.374,68				30.873,28									110.247,96
	* Exp. coop. agreements & gov. bods.	2.402,97													2.402,97
	* Financial costs	1.103,20													1.103,20
	* Exceptional exp. & other losses														0,00
	* Depreciation	12.712,04													12.712,04
	* Provisions & other dot.														0,00
	* Business Tax														0,00
	Total expenditure	126.410,16	28.037,00	0,00	0,00	47.781,59	0,00	0,00	0,00	4.635,00	13.438,26	3.586,91		32,00	223.920,92
	Surpl./ (defic.) for year														
	TOTAL	126.410,16	28.037,00	0,00	0,00	47.781,59	0,00	0,00	0,00	4.635,00	13.438,26	3.586,91		32,00	245.381,63

GM3 299 / 17

SEGMENTED INCOME STATEMENT 2015										
ITEM	ASSOCIATION	DEVELOPMENT PROJECTS	EDUCATION AND AWARENESS-RAISING PROJECTS	VOLUNTEERISM	FAIR TRADE	GENDER	SOCIAL ACTION	COMMUNICATION	FUNDRAISING	TOTAL
INCOME										
Inc. Entity's activity										
* Sales & ordinary income from commercial	1.163,94									1.163,94
* MM Assoc. member fees	92.666,00									92.666,00
* General donations	20.594,71									20.594,71
* Corporate donations	29.681,98									29.681,98
* Users donations and sponsors incomes										0,00
* Other activity income	300,53		2.120,20							300,53
* Other activity income	15.474,60									17.594,80
* Services provided	661,79									661,79
* Extraordinary income (& non-current income)	4,84									4,84
Total activity income	160.548,39	0,00	2.120,20	0,00	0,00	0,00	0,00	0,00	0,00	162.668,59
Other income										
*Donations & legacies execution income										0,00
* Projects income										0,00
* In. from priv. grants & restric. don.			4.399,61					8.173,55		12.573,16
* Income from public grants		28.037,00	25.022,88							53.059,88
* Management inc. grants and restricted donations	17.000,00									17.000,00
* Public donations management income										0,00
Total other income	17.000,00	28.037,00	29.422,49	0,00	0,00	0,00	0,00	8.173,55	0,00	82.633,04
Financial year gap										
TOTAL	177.548,39	28.037,00	31.542,69	0,00	0,00	0,00	0,00	8.173,55	0,00	245.301,63

ITEM	ASSOCIATION	DEVELOPMENT PROJECTS	EDUCATION AND AWARENESS- RAISING PROJECTS	VOLUNTEERISM	FAIR TRADE	GENDER	SOCIAL ACTION	COMMUNICATION	FUNDRAISING	TOTAL
EXPENDITURE										
* Cash & non- cash aid/ repayments										0,00
* Supplies (only projects)										0,00
* Supplies										0,00
*Outside services	40.433,53	28.037,00	11.908,31	32,00				13.438,26	3.586,91	97.436,01
* Taxes	18,74									18,74
* Staff costs	79.374,68		30.873,28							110.247,96
* Exp. coop. agreem'ts & gov. bods.	2.402,97									2.402,97
* Financial costs	1.103,20									1.103,20
* Exceptional exp. & other losses										0,00
* Depreciation	12.712,04									12.712,04
* Provisions & other dot.										0,00
* Business Tax										0,00
Total expenditure	136.045,16	28.037,00	42.781,59	32,00	0,00	0,00	0,00	13.438,26	3.586,91	223.920,92
Surpl./ (defic.) for year										
TOTAL	136.045,16	28.037,00	42.781,59	32,00	0,00	0,00	0,00	13.438,26	3.586,91	245.301,63

Ratio Overhead Costs to Total Resources Managed: 60,76%

Ratio Development Project Costs to Total Resources Managed: 12,52%

Ratio Education and Awareness- raising Costs to Total Resources Managed: 19,11%

Ratio Volunteerism Costs to Total Resources Managed: 0,01%

Ratio Fair Trade Costs to Total Resources Managed: 0,00%

Ratio Gender Costs to Total Resources Managed: 0,00%

Ratio Social Action Costs to Total Resources Managed: 0,00%

Ratio Communication Costs to Total Resources Managed: 6,00%

Ratio Fundraising Costs to Total Resources Managed: 1,60%

Document: **NOTES TO THE FINANCIAL STATEMENTS**
Entity: **FEDERATION OF MEDICUS MUNDI ASSOCIATIONS**
Period: **2016**

1.- ENTITY'S MAIN ACTIVITY.

The not-for-profit Association **medicusmundi** Spain was established, with full legal capacity to act, in Barcelona in 1963. In 1992 the Association **medicusmundi** became a Federation and changed its name to the Federation of **medicusmundi** Associations in Spain (henceforth the Federation or FAMME). It has its headquarters at calle Lanuza 9, Madrid. Its Tax ID Number (C.I.F.) is G-80454549 and its Registry Number is F-1,430.

FAMME is a non-governmental, not-for-profit organization working for international solidarity. It has a federal structure based on Associations from the Spanish provinces and autonomous regions and it is independent of the public authorities or any other economic, political or religious group. As of 31st December 2016 the Federation included twelve member Associations, which carry out their activities from their headquarters in the various provinces and autonomous regions across Spain.

Having been granted Public Utility status by Ministerial Order dated 27th February 1998, certain aspects of the Federation's activities are governed by Law 49/2002 of 23rd December regarding the tax system for not-for-profit entities and tax incentives for patronage. The Federation is partially exempt from tax.

The Federation's principal activities, as set out in articles 9 and 10 of its Articles of Association, are as follows:

- "To help bring about changes in society by promoting a culture of solidarity and civic engagement, so that poverty can be eradicated and health can be a right available to all."
- "To help improve the population's health by implementing a strategy to strengthen primary health care and to improve both the coverage and quality levels of health systems, whether public or in the private, not-for-profit sector."
- "To encourage poverty reduction in all its dimensions, with special attention to the most disadvantaged regions and communities."
- "To promote human rights, gender equity and environmental sustainability by introducing these perspectives into all the activities carried out by the Federation of **medicusmundi** Associations."
- "To support the social structure, the strengthening of institutions and the involvement of beneficiary communities in the dynamics of social empowerment with the aim of encouraging their growing role in the processes of change affecting them."
- "To foster solidarity and commitment in Spanish society towards people living in developing countries."
- "To support and coordinate the actions undertaken by the member Associations, to promote cooperation between them and to provide them with assistance and advice on any issue within the framework of these Articles of Association in order to fulfil the above aims."

The Association's programs and projects on cooperation and education for development are targeted at the residents of the communities in developing countries. We work closely with these communities and their residents are the direct beneficiaries of our support.

The Federation has filed its annual accounts at the Registry of Associations at the Ministry of the Interior.

2.- ACCOUNTING BASIS FOR THE ANNUAL ACCOUNTS

1) A true and fair view

The attached annual accounts have been prepared from the Entity's accounting records, which have been kept in accordance with the 2007 Spanish General Chart of Accounts' rules for Small and Medium-sized Enterprises (Royal Decree 1515/2007 of 16th November) and in accordance with Royal Decree 1491/2011 of 24th October, which laid down the rules for adapting the General Chart of Accounts for not-for-profit entities and the model for applying them.

It is the opinion of the FAMME Executive Board that these annual accounts give a true and fair view of the entity's financial position, its assets and its surplus for the 2016 financial year and that they accurately reflect the levels to which its activities comply with existing legislation, subject to the clarifications contained in these Notes.

In accordance with the Federation's Articles of Association, these annual accounts must be submitted to the Ordinary General Meeting for approval. The Federation's Executive Board believes that they will be approved without any changes.

2) Accounting principles

The Entity has fully applied the accounting principles as stated in Spanish commercial law, Spanish Commercial Code and other commercial legislation.

Commercial Code and remaining merchant law.

General accounting plan approved by RD 1515/2007 and modifications by RD 1491/2011 of 26th of October, its Resolution of 26th of March of 2013 (of ICAC) and following modifications of RD 602/2016 of 2nd of December of 2016.

Standards of development indicated by ICAC in countable matter.

Any other applicable legislation.

3) Key issues in measuring and estimating uncertainties

The Executive Board does not consider that there are any significant uncertainties or key issues which may affect the valuation of the Federation.

4) Comparative Information

No changes have been made to the format of the financial statements which make up the Federation's Annual Accounts. In accordance with current legislation, the Executive Board has provided comparative figures for the previous year for both the Statement of Financial Position and the Income Statement.

5) Items accounted for under different headings.

Amounts owed to credit institutions are accounted for as long term and short term loans. Amounts owned to banks, liabilities transformed into grants, donations and legacies and grants debtors have figures registered both into long and short term.

6) Changes to accounting policies

No changes into criteria have been registered.

7) Error amendments

No error amendments have been registered.

3.- PERIOD SURPLUS.

Period **surplus** amounts **170.574,61 Euros**, This section sets forth the proposed surplus distribution, which the Executive Board will put forward at the Federation's General Meeting.

The Executive Board's proposed surplus distribution for the year is as follows:

Distribution basis	Year 2016	Year 2015
Period 2016 surplus	170.574,61	
Period 2015 surplus		21.380,71
TOTAL	170.574,61	21.380,71
Application	Year 2016	Year 2015
General Reserve	44.210,55	21.380,71
Internal Solidarity Reserve	100.000,00	
Social Fund	26.364,06	
TOTAL	170.574,61	21.380,71

4.- ACCOUNTING AND VALUATION RULES.

The principal accounting and valuation rules used by the Entity to prepare its Annual Accounts are as follows:

1) Intangible fixed assets.

Intangible fixed assets solely relate to computer software, which is recorded at cost and depreciated on a straight-line basis over a maximum of 4 years.

2) Tangible fixed assets.

Tangible fixed assets are shown in the Statement of Financial Position at cost plus, where relevant, any additional costs involved in making them ready for their intended use.

The Entity has not included any exchange rate differences, interest or any other financial charges in the purchase cost.

The Entity treats the costs of extending, updating or improving an asset, when these are expected to increase the asset's estimated useful life, as increasing the book value of the asset up to a maximum of its market value. The costs of maintenance, servicing and repairs incurred during the year, however, are charged to the Income Statement.

Given its special characteristics as a not-for-profit entity, the Federation does not own any assets with the primary aim of generating a profit, as its goals are not profit-driven but rather involve promoting cooperation, education and awareness-raising.

The Entity depreciates its tangible fixed assets on a straight-line basis, spreading the total cost of the assets over their estimated useful life, as follows:

Item	% anual
• Buildings	2%
• Fixtures and Fittings	5%
• Furniture	10%
• Computer Equipment	25%

3) Investment properties.

Given the nature of the Entity, it does not generally own any assets which may be classified as investment properties, except those obtained through donations, bequests and legacies.

4) Financial assets and liabilities.

Given its nature and its social aim of providing technical and financial support for international cooperation projects in developing countries and for education and awareness-raising projects, the Entity does not trade in goods and services and so only acquires financial assets and liabilities on an occasional basis. In this regard, its trading activity is essentially based on receiving grants from public and private sources and donations, which it uses to finance the management structures it needs and the projects it undertakes with its partners.

All financial assets, cash, liquid assets and third-party loans, therefore, are shown at their actual value. The Entity has no financial derivatives.

Assets held for negotiation: the Entity treats assets as being held for negotiation when:

- a) They are originated or acquired to be sold in the short term.
- b) They are part of a portfolio of identified financial instruments which are managed together and for which there is evidence of a recent actual pattern of short-term profit taking, or
- c) The asset is a derivative financial instrument, providing that it is neither a financial guarantee contract nor designated as a hedging instrument.

Financial assets held for negation are initially valued at fair value, which, unless there is evidence to the contrary, is the same as the transaction price. Changes in fair value are charged to the year's income statement.

Financial liabilities essentially relate to accounts payable for supplies and services, which are also valued and shown at their actual value.

5) Inventories.

The Entity does not have any inventories of goods with a market value.

6) Foreign currency transactions.

All transactions denominated in foreign currencies fall due in less than one year. All expenditure incurred abroad is calculated using the average exchange rate for the transfers made during the year. Cash denominated in foreign currencies held at the year end is valued at the prevailing rate of exchange on 31st December. Any debits and credits denominated in foreign currencies are accounted for using the rate of exchange applicable on the date of the transaction.

7) Corporate income tax.

Given the nature of its activities, the Entity is exempt from corporate income tax, in accordance with the regulations for Not-for-Profit Entities with Public Utility status.

8) Income and expenditure.

Income and expenditure are accounted for on an accruals basis, i.e. when the actual flow of goods and services they represent occurs, regardless of when the monetary or financial flow arises. The same policy is also used for cooperation projects through the reconciliation of each project's funds as at 31st December each year.

However, following the prudence concept, the Entity only accounts for income realized as at the year-end whilst foreseeable contingencies and losses, including potential losses, are accounted for as soon as they are known.

9) Provisions and contingencies.

Due to its type of activity and in the absence of any assets at risk of impairment, deterioration or default, the Entity does not need to make any provisions for contingencies.

10) Grants, donations and legacies.

Repayable grants are shown as liabilities until such time as they become non-repayable.

Restricted non-repayable grants, donations and legacies are directly accounted for under net assets at the amount awarded and are later proportionally reclassified as income in the surplus for the year, based on the expenses which the grant is financing.

Non-restricted non-repayable donations are directly accounted for in the surplus for the year. These grants become non-repayable when there is an individual agreement awarding the grant, donation or legacy to the entity, all the conditions for the award have been met and there is no reasonable doubt that it will be received.

Whilst they remain repayable grants, they are accounted for as 'long/short term debts convertible into grants'. When the grants are awarded to finance specific costs, they are accounted for as income in the year in which those costs were incurred.

11) Joint ventures.

There are no joint ventures.

12) Transactions with FAMME member Associations.

The Federation of **medicusmundi** Associations brings together twelve Associations from around Spain. As a result, FAMME carries out transactions with **medicusmundi** Associations which involve both the shared management of AECID- and EU-funded projects and business dealings within the **medicusmundi** network.

5.- INTANGIBLE AND TANGIBLE FIXED ASSETS AND NON-CURRENT INVESTMENTS

5.1- Intangible fixed assets.

The movement in Intangible fixed assets during the 2016 financial year was as follows:

Item	Opening Bal. 31.12.2015	Inflows	Outflows	Closing Bal. 31.12.2016
a) Cost	23.219,60	--	--	23.219,60
Computer software	23.219,60	--	--	23.219,60
TOTAL COST	23.219,60	--	--	23.219,60
b) Depreciation	8.427,35	4.930,75	--	13.358,10
Computer software	8.427,35	4.930,75	--	13.358,10
TOTAL DEPRETIATION	8.427,35	4.930,75	--	13.358,10
TOTAL INTANGIBLE ASSETS	14.792,25	4.930,75	--	9.861,50

At 31-12-2016 the Entity had fully depreciated intangible fixed assets amounting to 3.496,60€.

Balance in Intangible fixed assets during 2015 financial year is as follows:

Item	Opening Bal. 31.12.2014	Inflows	Outflows	Closing Bal. 31.12.2015
a) Cost	20.073,60	3.146,00	--	23.219,60
Computer software	20.073,60	3.146,00	--	23.219,60
TOTAL COST	20.073,60	3.146,00	--	23.219,60
b) Depreciation	3.368,58	5.058,77	--	8.427,35
Computer software	3.368,58	5.058,77	--	8.427,35
TOTAL DEPRETIATION	3.368,58	5.058,77	--	8.427,35
TOTAL INTANGIBLE ASSETS	16.705,02	(1.912,77)	--	14.792,25

At 31-12-2015 the Entity had fully depreciated intangible fixed assets amounting to 3.496,60€.

5.2- Tangible fixed assets.

The movement in Tangible fixed assets during 2016 financial year is as follows:

Item	Opening Balance 31.12.2015	Inflows	Outflows	Closing Balance 31.12.2016
a.0) Cost		5.760,00	--	5.760,00
• Other buildings		5.760,00	--	5.760,00
a.1) Cost	368.556,47	3.815,74	2.637,06	369.735,15
• Land	170.094,45	--	--	170.094,45
• Buildings (headquarters)	95.678,13	--	--	95.678,13
• Fixtures and Fittings	89.001,65	--	--	89.001,65
• Furniture	7.331,43	1.706,75	223,81	8.814,37
• IT systems	6.450,81	2.108,99	2.413,25	6.146,55
TOTAL COST	368.556,47	9.575,74	2.637,06	375.495,15
b.1) Depreciation	91.989,75	8.301,80	2.637,06	97.654,49
• Buildings	24.876,28	1.913,56	--	26.789,84
• Fixtures and Fittings	56.367,68	4.450,08	--	60.817,76
• Furniture	5.994,37	971,75	223,81	6.742,31
• IT systems	4.751,42	966,41	2.413,25	3.304,58
TOTAL DEPRETIATION	91.989,75	8.301,80	2.637,06	97.654,49
TOTAL TANGIBLE ASSETS	276.566,72	1.273,94	--	277.840,66

At 31-12-2016 the Entity had fully depreciated tangible fixed assets amounting to 8.503,09€.

Entity, in 2016 period has received a property valued in 5.760 euros related to the valuation of the undivided part of a received heritage not in usage and exploitation by the Federation and therefore not to be depreciated. As of closing date its sale is being managed.

The movement in Tangible fixed assets during the 2015 financial year is as follows:

Item	Opening Balance 31.12.2014	Inflows	Outflows	Closing Balance 31.12.2015
a.1) Cost	370.163,03	1.602,86	3.209,42	370.163,03
• Land	170.094,45	--	--	170.094,45
• Buildings (headquarters)	95.678,13	--	--	95.678,13
• Fixtures and Fittings	89.001,65	--	--	89.001,65
• Furniture	7.672,21	--	340,78	7.331,43
• IT systems	7.716,59	1.602,86	2.868,64	6.450,81
TOTAL COST	370.163,03	1.602,86	3.209,42	368.556,47
b.1) Depreciation	87.545,90	7.653,27	3.209,42	91.989,75
• Buildings	22.962,72	1.913,56	--	24.876,28
• Fixtures and Fittings	51.917,60	4.450,08	--	56.367,68
• Furniture	5.641,17	693,98	340,78	5.994,37
• IT systems	7.024,41	595,65	2.868,64	4.751,42
TOTAL DEPRECIATION	87.545,90	7.653,27	3.209,42	91.989,75

At 31-12-2015 the Entity had fully depreciated tangible fixed assets amounting to 6.541,82 €.

The depreciation rates used are listed in point 4.2 of these Notes.

No tangible fixed assets are located outside Spanish territory. The Entity has not capitalized any interest charges or exchange rate differences and it has not considered it necessary to make any provision for these assets.

There are no property investments or assets under financial leases.

6.- USERS AND OTHER DEBTORS RELATED TO THE ENTITY'S ACTIVITY.

The closing balance of Users and Other Debtors Related to the Entity's Activity is **2.141.000,00 €** for 2016 and the breakdown by funding body is as follows:

FUNDING BODY	Opening bal. 31-12-15	Additions	Reductions	Transfers	Closing bal. 31-12-16
Grants: AECID	1.875.000,00	553.201,00	2.428.201,00	1.875.000,00	1.875.000,00
Grants: ECHO	473.000,00	830.000,00	1.137.000,00*	100.000,00	266.000,00
Grants: E.U.	6.599,00		6.599,00**		0,00
Grants: General Óptica	0,00	80.000,00	80.000,00		0,00
TOTALS	2.354.599,00	1.463.201,00	3.651.800,00	1.975.000,00	2.141.000,00

*From the total of reductions, 3.733,73€ are related to grants cut-down (see note 14 of the report).

** Within the reductions, 2.566,00 is a lower subsidy.

The closing balance of Users and Other Debtors Related to the Entity's Activity is **2.354.599,00 €** for 2015 and the breakdown by funding body is as follows:

FUNDING BODY	Opening bal. 31-12-14	Additions	Reductions	Transfers	Closing bal. 31-12-15
Grants: AECID	2.095.000,00	566.613,00	2.661.613,00	1.875.000,00	1.875.000,00
Grants: ECHO	784.944,80	2.015.000,00	2.326.944,80*		473.000,00
Grants: E.U.	25.849,00		19.250,00		6.599,00
Grants: General Óptica	80.000,00	80.000,00	160.000,00		0,00
Grants: Fuenlabrada Council		30.000,00	30.000,00		0,00
TOTALS	2.985.793,80	2.691.613,00	5.197.807,80	1.875.000,00	2.354.599,00

*From the total of reductions, 115.116,97€ are related to grants cut-down (see note 14 of the report).

AECID grant is classified as long-term with a value of 1.875.000 euros. It is a grant conceded in period 2014 and it is planned to be executed by period 2017.

ECHO grant is classified as long-term with a value of 100.000 euros. It is a grant conceded in period 2015 and it is planned to be executed by period 2017.

7.- FINANCIAL ASSETS

All assets are valued at cost or redemption value as there are no possible risks of impairment. No adjustments were made for impairment or losses as there are no credit risks.

There are no Group, multi-group or associated companies.

FINANCIAL POSITION - ASSET	A/C	NAMC	31.12.2015	31.12.2016	VALUE
LONG TERM FINANCIAL INVESTMENTS	270	Long- term guarantees	137,15	137,15	137,15
LONG TERM SUBSIDIES DEBTORS	262	Long term grants debtors	1.975.000,00	0,00	0,00
USERS AND OTHER DEBTORS TO THE ENTITY'S ACTIVITY	448	Grants debtors	2.354.599,00	2.141.000,00	2.141.000,00
TRADE DEBTORS AND OTHER RECEIVABLES	430	Customers	1.408,37	414,64	2.234.750,76
SHORT-TERM FINANCIAL ACCOUNTS WITH MM ASSOCIATIONS	440	Short term debtors	9.526,82	11.868,81	12.283,45
OTHER SHORT TERM ACCOUNTS	5521	Short- term a/cs with MM Associations	2.474,20	81.467,31	81.467,31
	541	Short- term debt securities	66.682,71	66.086,01	66.086,01
	555	Pending application items		649,18	649,18
CASH AND CASH EQUIVALENTS	570	Cash	230,19	159,97	
	5720	Bank accounts Association	38.269,61	86.000,64	
	5721	Bank accounts projects	134.956,22	925.099,81	1.011.260,42
TOTAL FINANCIAL ASSETS			4.583.284,27	3.312.883,52	3.312.883,52

	Long term financial instruments		Short term financial instruments	
	Year 2015	Year 2016	Year 2015	Year 2016
Loans and receivables	1.975.137,15	137,15	2.368.008,39	2.235.399,94
Assets held for negotiation			66.682,71	66.086,01
Cash and liquid assets			173.456,02	1.011.260,42
YEAR 2015	4.583.284,27			
YEAR 2016	3.312.883,52			

We shall now move on to describe the most significant headings and any which may be seen as extraordinary for the Federation's type of activity.

- Long term financial investments. This heading relates to two deposits. The first concerns opening the post office box, which is used exclusively for the Christmas Card Campaign, and the second was a deposit made to Unión Fenosa when they carried out the electrical installation at the Federation's headquarters.
- Users and Other Debtors Related to the Entity's Activity: This relates to the outstanding amounts receivable from public/private grants approved by the Federation.
- Commercial debtors and other accounts payables. This relates to the outstanding amounts receivables from Laboral Kutxa and from Bankia and Colección Solidaria.
- Financial short term debts with **medicusmundi** Associations. Related to financial debts with other **medicusmundi** Associations, derived from actions performed **medicusmundi** net.
- Other short term accounts. These are the investment funds referred to in point 7.1 of these Notes.
- Cash and cash equivalents: These are the grants awaiting transfer and the closing cash balance.

CLASSIFICATION OF FINANCIAL ASSETS BY MATURITY

CATEGORY	AMOUNT	2017	2018	2019	REST
Long term financial investments.	137,15				137,15
Users and Other debtors Related to the Entity's Activity	2.141.000,00	2.141.000,00			
Trade debtors and other receivables	12.283,45	12.283,45			
Short term accounts with MM Associations	81.467,31	81.467,31			
Other short term accounts	66.735,19	66.735,19			
Cash and cash equivalents *	1.011.260,42	1.011.260,42			

7.1- FINANCIAL INVESTMENTS.

The entire Financial Investments balance relates to two Investment Funds, one called SANTANDER RENDIMIENTO CLASE A and the other called SANTANDER SOLIDARIO DIVIDENDO EUROPA, both managed by BANCO SANTANDER GESTIÓN- BANCO SANTANDER ACTIVOS INMOBILIARIOS. The deposit holder is the BANCO SANTANDER INVESTMENT- BANCO SANTANDER BSN-BANIF-BANESTO-BANDESCO.

Item	Balance 2016	Balance 2015
• Financial asset investments – Rendimiento Clase A.	59.927,60	60.123,23
• Financial asset investments – Solidario Dividendo Europa.	6.755,11	6.115,14
• Revaluation of financial assets	(269,14)	639,97
• Devaluation of the active – Solidario Dividendo Europa	(327,56)	(195,63)
TOTALS	66.086,01	66.682,71

The movement during 2016 financial year was as follows:

INVESTMENTS	Opening Bal. 31-12-15	2016 Investment	2016 Withdrawal	Closing Bal. 31-12-16
Rendimiento Clase A	59.927,60		269,14	59.658,46
Solidario Dividendo Europa	6.755,11		327,56	6.427,55
TOTALS	66.682,71	--	596,70	66.086,01

The movement during 2015 financial year was as follows:

INVESTMENTS	Opening Bal. 31-12-14	2015 Investment	2015 Withdrawal	Closing Bal. 31-12-15
Rendimiento Clase B	60.123,23		195,63	59.927,60
Solidario Dividendo Europa	6.115,14	639,97		6.755,11
TOTALS	66.238,37	639,97	195,63	66.682,71

8. FINANCIAL LIABILITIES

FINANCIAL POSITION / ASSET	A/C	NOTE	31.12.2015	31.12.2016	VALUE
LONG TERM DEBTS	170	Amounts owed to credit institutions (long term)	67.037,08	50.328,25	50.328,25
	171	Log terms debts with MM Associations	1.975.000,00		
SHORT TERM DEBTS	520	Long term debts convertible into grants, donations and legacies	16.529,37	16.483,47	96.483,47
	522	Amounts owed to credit institutions (short term)	166.938,07	80.000,00	
SHORT TERM DEBTS WITH MM ASSOCIATIONS	5521	Short term a/c with MM Associations	6.859,19	4.270,92	4.270,92
	5521	Credit account with MM Associations- Grants pending payment	2.348.000,00	2.943.201,00	2.943.201,00
TRADE CREDITORS AND OTHER	410	Short term a/c with MM Associations- Grants pending payment	7.037,72	3.833,20	8.616,12
	465	Remuneraciones pendientes de pago		4.782,92	
TOTAL FINANCIAL LIABILITIES			4.587.401,43	3.102.899,76	3.102.899,76

Debits and payables	Long term financial instruments				Short term financial instruments			
	Amounts owed to credit institutions		Payables and others		Amounts owed to credit institutions		Payables and others	
	Year 2015	Year 2016	Year 2015	Year 2016	Year 2015	Year 2016	Year 2015	Year 2016
67.037,08	50.328,25	1.975.000,00		16.529,37	16.483,47	2.528.834,98	3.036.088,04	
YEAR 2015	4.587.401,43							
YEAR 2016	3.102.899,76							

We shall now move on to describe the most important headings as well as any which may be seen as extraordinary for the Federation's type of activity.

- Long term debts and short term debts. This relates to a mortgage from the Banco Santander for the sum of 256,000.00 euros for the purchase of premises to be used as the Federation's headquarters. The mortgage was granted on 8th November 2002 and matures on 8th November 2020.
- Short term and long term debts convertible into grants, donations and legacies. This is the balance of the grants approved for the Federation's projects beginning in 2017 financial year and long term ones from 2017 onwards.
- Short term debts with MM Associations. These relate to financial accounts with other MM Associations arising from business dealings carried out within the **medicusmundi** network and to grants awaiting transfer.
- Trade creditors and other payables. The remaining short term financial liabilities entirely relate to pending payments to be made to suppliers and others when due.

CLASSIFICATION OF FINANCIAL LIABILITIES BY MATURITY

CATEGORY	AMOUNT	2017	2018	2019	REST
Debts with credit institutions	66.811,72	16.483,47	17.469,79	17.104,35	15.754,11
Short term debts convertible into grants, donations and legacies	80.000,00	80.000,00			
Debts with MM Associations and others	2.947.471,92	2.947.471,92			
Trade creditors and other payables	8.616,12	8.616,12			

9.- OWN FUNDS

The movement in this group of accounts during 2016 financial year was as follows:

Item	Balance at 31-12-15	Additions	Transfers	Reductions	Closing balance at 31-12-16
• Social fund	120.202,42	53.433,52	--	--	173.635,94
• General reserve	108.068,86	--	21.380,71	--	129.449,57
• Country Plan Reserve	1.187,12	--	--	--	1.187,12
• Surplus 2015	21.380,71	--	(21.380,71)	--	--
SUBTOTAL	250.839,11		--	--	304.272,63
Surplus for the year		170.574,61		--	170.574,61
TOTAL OWN FUNDS	250.839,11	224.008,13	--	--	474.847,24

In the current year, the Entity has received 53.433,52 euros related to the valuation of assets received of various heritages delivered to the foundational fund of the Entity. As of closing period date it is pending of sale the property registered in the immobilized material of point 5.2.

The movement for this group of accounts during the 2015 financial year was as follows:

Item	Balance at 31-12-14	Additions	Transfers	Reductions	Closing balance at 31-12-15
• Social fund	120.202,42	--	--	--	120.202,42
• General reserve	98.505,28	--	9.563,58	--	108.068,86
• Country Plan Reserve	1.187,12	--	--	--	1.187,12
• Surplus 2014	9.563,58	--	--	--	--
			(9.563,58)		
SUBTOTAL	229.458,40		--	--	229.458,40
Surplus for the year		21.380,71		--	21.380,71
TOTAL OWN FUNDS	229.458,40	21.380,71	--	--	250.839,11

Given the Federation's legal status as a not-for-profit Association, there are no shares and its own funds are made up of a social fund.

Regarding the restriction on the availability of the reserves, the Federation allocates them based on the surpluses, if any, which it is able to obtain. Their use is always restricted to financing the projects and activities that are part of the Entity's social aim.

The breakdown of the **Reserves** in 2016 was as follows:

RESERVES	Opening Balance 31.12.15	Additions	Reductions	Closing Balance 31.12.16
GENERAL RESERVE				
General reserve	98.505,28			98.505,28
2015 Surplus distribution	9.563,58	21.380,71		30.944,29
Project additions a/c				
Project reductions a/c				
Country Plan Reserve	1.187,12			1.187,12

Project additions a/c			
Project reductions a/c			
Total General Reserve	109.255,98	21.380,71	130.636,69
TOTAL RESERVES	109.255,98	21.380,71	130.636,69

The breakdown of the **Reserves** in 2015 was as follows:

RESERVES	Opening Balance 31.12.14	Additions	Reductions	Closing Balance 31.12.15
GENERAL RESERVE				
General reserve	98.505,28			98.505,28
2014 Surplus distribution		9.563,58		9.563,58
Project additions a/c				
Project reductions a/c				
Country Plan Reserve	1.187,12			1.187,12
2014 Surplus distribution		--	--	
Project additions a/c				
Project reductions a/c				
Total General Reserve	99.692,40	9.563,58		109.255,98
TOTAL RESERVES	99.692,40	9.563,58		109.255,98

10.- TAX SITUATION.

10.1. Corporate income tax.

a) The Federation is governed by the Law 49/2002 of 23rd December on the tax arrangements for not-for-profit entities and tax incentives for patronage. All its unearned income received during the financial year is exempt from corporation tax. This unearned income is broken down as follows:

CONCEPT	2016	2015
a) Exemptions provided by art. 6 y 7 of law 49/2002	387.023,85	245.301,63
1º Unearned income from the following sources:	347.184,08	225.575,73
a) Gifts, donations and others	51.596,96	50.276,69
- General gifts	18.391,63	20.594,71
- Contributions from users and income from sponsors	33.205,33	29.681,98
b) Members' fees	88.575,00	92.666,00
c) Grants, donations and legacies for the Entity's activity	207.012,12	82.633,04
- Public and private grants	122.332,51	82.633,04
- Bequests and legacies	84.679,61	
2º Unearned income arising from movable and immovable assets	5.787,98	962,32

6M3 2 99 / 17

2º	Unearned income arising from movable and immovable assets	5.787,98	962,32
	- Movable (interest and dividends)	0,61	661,79
	- Immovable (rent and leases)	5.787,37	300,53
4º	Unearned income arising from ancillary activities	34.051,79	18.763,58
	- Service provision	27.919,94	17.594,80
	- Sales and other ordinary income from commercial activities	5.817,96	1.163,94
	- Other income	313,89	4,84
TOTAL		387.023,85	245.301,63

b) The information demanded by tax legislation for an entity to enjoy not-for-profit status for the purposes of Law 49/2002 is listed in the following table:

REQUIREMENTS TO BENEFIT FROM LAW 49/2002	Section in the Notes
1. That the entity pursues objectives of public interest	1
2. That the entity allocates at least 70% of the income it receives to implementing its goals	13.2
3. That its economic activities are not at variance with its goals	11.9
4. That its associates are not the main beneficiaries	1
5. That the Executive Board's duties are performed without remuneration	15.7
6. Allocation of assets in the event of dissolution	15.11.e
7. Inscription at the Registry	1
8. Accounting requirements	2
9. Accountability	1 y 2

There are no taxable temporary differences, tax bases or tax credits for tax losses carried forward in the statement of financial position at the year end. There are also no provisions arising from corporation tax, from tax contingencies or from events after the year end involving a change to the tax rules on the tax assets and liabilities shown.

10.2 Other Taxes.

In period 2016, other taxes amount is as follows:

Other taxes	2016	2015
Registry of Associations Fees	30,32	18,74
Digital Certificate Fees	16,94	
TOTAL	47,26	18,74

Given the Federation's activity, the Entity is considered to be a final consumer and, therefore, exempt from VAT on its activities, with the exception of any activities of an economic nature. The Entity submits a VAT return relating to those activities.

11.- INCOME AND EXPENDITURE.

The Entity treats grants received as income. This income, however, is not accounted for on a receipt basis but as and when those grants are spent on the projects for which they were awarded. Consequently, when the Entity allocates funds to cover project costs, it accounts for

11.1.- Cash Aid (3.a), Non-cash Aid (3.b) and Repayments of grants, donations and legacies made in the financial year (3.d).

The Entity has no cash-aids in 2016 financial year, nor in previous year.

11.2.- Stocks of goods (6)

The Entity had no stocks of goods in 2016 financial year, nor in previous year.

11.3.- Staff costs (8).

CONCEPT	Association	Development Cooperation	Education and Awareness-raising	Volunteering	Fair Trade	Gender	Social Action	Communications	Marketing and Fundraising	Studies	Political & Social Incid.
Salaries	64.334,30										20.821,92
Compensations											
Social security	20.213,02										6.569,34
Redundancies											
Training	3.430,53										
Other social costs (insurance, accident prevention, study grants etc.)	470,08										
TOTAL 2016	88.447,93										27.391,26
115.839,19											

CONCEPT	Association	Development Cooperation	Education and Awareness-raising	Volunteering	Fair Trade	Gender	Social Action	Communications	Fundraising
Salaries	63.030,04		20.413,96						
Compensations									
Social security	15.874,56		10.459,32						
Redundancies									
Training									
Other social costs (insurance, accident prevention, study grants etc.)	470,08								
TOTAL 2015	79.374,68		30.873,28						
110.247,96									

11.4.- Other activity expenditure (9).

CONCEPT	Association	Development Cooperation	Education and Awareness-raising	Volunteering	Fair Trade	Gender	Social Action	Communications	Marketing and Fundraising	Studies	Political & Social incid.
• Outside services	34.626,51			28,00				27.115,41	4.489,10		17.057,20
Repairs and servicing	8.993,59										
Professional services	6.190,49							19.282,94			
Transports											
Insurance premium	336,89			28,00							
Bank services & other similar costs	328,33										
Advertising & Public Relations								3.330,20			
Supplies	3.261,19										
Other Services:	15.516,02							4.502,27	4.489,10		17.057,20
-Deliverie	432,47										
-Mail	241,73										
-Office suppl.	656,64										
-Photocopies	224,57										
-Telephone	3.090,57										
-Trav., Allow., Disp.	3.009,11										
-Organisat. Fees											12.407,50
-Security	764,01										
-Domain & Web Page Maint.								4.393,37			
-Health and Cooperation Report.											4.649,70
-Solid. Legac.									3.630,00		
-Testamenta									859,10		
..-Other expe.	7.096,92							108,90			
• Other taxes	47,26										
TOTAL 2016	34.673,77			28,00				27.115,41	4.489,10		17.057,20
83.363,48											

Concept	Association	Development Cooperation	Education and Awareness-raising	Volunteerism	Fair Trade	Gender	Social Action	Communications	Fundraising
• Outside services	40.433,53	28.037,00	11.908,31	32,00				13.438,26	3.586,91
Repairs and servicing	8.426,50								
Professional services	5.212,41							5.285,95	
Insurance premium	336,80			32,00					
Bank services & other similar costs	154,25								
Advertising & Public Relations								2.887,60	
Supplies	3.507,62								
Oth. services:	22.795,95	28.037,00	11.908,31					5.264,71	3.586,91
-Deliveries	444,59		42,09						
-Mail	311,30		34,00						
-Telephone	2.391,06		910,00						
-Security	875,74								
-Office supplies	185,65		111,91						
-Photocopies	29,11		213,74						
-Web Page								4.901,71	
-Health and Cooperation Report			4.399,61						
-Charitable bequests									3.586,91
-Organization fees	9.635,00								
-Travel & subsistence, and interpr.	7.807,66	28.037,00	5.896,96						
-Social network diffusion	990,00							363,00	
-Power legal.									
-Oth. expen.	125,84		300,00						
• Other taxes	18,74								
TOTAL 2015	40.452,27	28.037,00	11.908,31	32,00				13.438,26	3.586,91
97.454,75									

11.5.- Income from promotions, sponsorships and partnerships (1c).

The Entity did not receive any income from promotions, sponsorships and partnerships in the 2016 financial year nor in previous year.

11.6.- Other income from the Association's activities (7).

Other activity income	TOTAL 2016	TOTAL 2015
Income for various services	27.919,94	17.594,80
TOTAL	27.919,94	17.594,80

Various service income are related to **medicusmundi** nam because of local rental, photocopies... and Médicos del Mundo Health and Cooperation Report income.

11.7.- Other income (14).

The amount for other income is **233,89 €** and **4,84 €** in 2015 period.

11.8. - Financial Income (15).

2016 closing balance for Financial Income is **0,61 €** and relates to interest earned from the Entity's bank accounts. In 2015 the figure was **0,12 €**.

11.9.- Sales and other ordinary income related to current activity (2)

Current activity result is subsidiary as it is not over the limit of 20.000,00€ as established in article 7th of Law 49/2002 and the obtained income is dedicated to the consecution of the aims of Entity.

The ending balance is **5.817,96 €** and it is related to the image cession of Affinity Cards to Laboral Kutxa. In period 2015 the ending balance was **1.163,94 €**, related to the same concept.

12.- GRANTS, DONATIONS AND LEGACIES.

Below is a breakdown of situation regarding grants which the Federation has received to fund the projects and activities undertaken with its partners and which it has accounted for in its statement of financial position. These specifically relate to grants which, at the year end, are very close to being implemented or where the cost incurred by the project can be justified to the funding body.

The movement in these grants during the 2016 financial year is as follows:

TYPE OF GRANT	FUNDING BODY	Balance 31.12.2015	Awarded	Transfers and Adjustments	Interests	Implement. 2016	Pending Implementation		
							Long term debts convertible into grants	Short term debts convertible into grants	Grants
<u>REPAYABLE PUBLIC GRANTS</u>	<u>Internal Organisms</u> • European Union	8.427,23		(2.566,00)		5.861,23			
TOTAL REPAYABLE PUBLIC GRANTS		8.427,23		(2.566,00)		5.861,23			
<u>REPAYABLE PRIVATE GRANTS</u>	• Private Grants General Optica	158.510,84	80.000,00	(52.800,00)		105.710,84	80.000,00		
TOTAL REPAYABLE PRIVATE GRANTS		158.510,84	80.000,00	(52.800,00)		105.710,84	80.000,00		
TOTAL PUBLIC AND PRIVATE GRANTS 2015		166.938,07	80.000,00	(55.366,00)		111.572,07	80.000,00		
<u>GRANTS DONATIONS & LEGACIES-NON-REPAYABLE</u>	• Private grants REDES • Finalists Donations	1.302,33 11.300,44	2.108,99			752,22 10.760,44			2.659,10 540,00
TOTAL NON-REPAYABLE DONATIONS & LEGACIES		12.602,77	2.108,99			11.512,66			3.199,10
TOTAL PUBLICS AND PRIVATE GRANTS TOTAL DONATIONS AND LEGACIES		17.602,77	2.108,99			11.512,66	80.000,00		3.199,10

* Transfer General Optica grant to member Associations of Famme, acting as ending beneficiaries of the grant, and therefore not impacting over the profit and loss account of the Entity.

The movement in these grants during the 2015 financial year was as follows:

TYPE OF GRANT	FUNDING BODY	Balance 31.12.2014	Awarded	Transfers and Adjustments	Interests	Implement. 2015	Pending Implementation	
							Long term debts convertible into grants	Short term debts convertible into grants
<u>REPAYABLE PUBLIC GRANTS</u>	Internat.Organisms • European Union Autonomous Adminl. • Fuenlabrada council.- Bolivia	33.450,11				25.022,88		8.427,23
			30.000,00	(1.963,00)		28.037,00		
TOTAL REPAYABLE PUBLIC GRANTS		33.450,11	30.000,00	(1.963,00)		53.059,88		8.427,23
<u>REPAYAB. PRIVATE GRANTS</u>	• Private Grants General Optica	147.110,84	80.000,00	(51.600,00)		17.000,00		158.510,84
TOTAL REPAYABLE PRIVATE GRANTS		147.110,84	80.000,00	(51.600,00)*		17.000,00		158.510,84
TOTAL PUBLIC AND PRIVATE GRANTS 2015		180.560,95	110.000,00	(53.563,00)		70.059,88		166.938,07
<u>GRANTS, DONATIONS & LEGACIES-NON-REPAYABLE</u>	• Private grants RED.ES • Finalists Donations		1.602,86			300,53		1.302,33
		23.873,60				12.573,16		11.300,44
TOTAL NON-REPAYABLE DONATIONS & LEGACIES		23.873,60	1.602,86			12.873,69		12.602,77
TOTAL PUBLICS AND PRIVATE GRANTS TOTAL DONATIONS AND LEGACIES		204.434,55	111.602,86	(53.563,00)		82.933,57		166.938,07

* Transfer General Optica grant to member Associations of Faimme, acting as ending beneficiaries of the grant, and therefore not impacting over the profit and loss account of the Entity.

GM3 2015/17

	Initial Balance	Increases	Reductions	End Balance
Capital Grants	1.302,33	2.108,99	752,22	2.659,10
Grants and capital legacies	5.763,65		5.223,65	540,00
Other grants and subsidies				
TOTAL	7.065,98	2.108,99	5.975,87	3.199,10

Entity	Project Name (Simple)	Amount
Agencia Española de Cooperación Internacional de Desarrollo (AECID)	Rehabilitation of water systems in JAMA communities and empowerment of its population, with the aim of making effective its rights.	298.051,00
Agencia Española de Cooperación Internacional de Desarrollo (AECID)	Universal Coverage in Health of Kayes region: strengthening services and financial accessibility.	255.150,00
Comisión Europea - ECHO	Appui à la prévention et prise en charge intégral de la Malnutrition Aigue Sévère au Brakna, Mauritanie.	830.000,00
TOTAL		1.383.201,00

Management Income relates to the % concession which the various funding bodies, in keeping with their rules, make as part of their grants in order to support the overheads of the institutions which we manage. The management income for the current financial year is **111.572,07 Euros**, and its breakdown as follows:

FUNDING BODY	BALANCE 2016	BALANCE 2015
MANAGEMENT INCOME FROM PUBLIC GRANTS	5.861,23	0,00
MANAGEMENT INCOME FROM PUBLIC GRANTS	5.861,23	0,00
MANAGEMENT INCOME FROM PRIVATE GRANTS AND RESTRICTED DONATIONS	105.710,84	17.000,00
PRIVATE GRANTS		
General Óptica	105.710,84	17.000,00
MANAGEMENT INCOME FROM RESTRICTED DONATIONS	105.710,84	17.000,00
TOTAL MANAGEMENT INCOMES	111.572,07	17.000,00

Ratio Management Income / Overhead Costs 111.572,07 / 140.368,27 = **78,49% cost coverage.**

2016 management incomes include 78.510,84 euros related to subsidies received in previous periods.

13.- THE ENTITY'S PRINCIPAL ACTIVITY, ALLOCATION OF RESOURCES TO ITS AIMS & ADMINISTRATIVE COSTS.

13.1 Entity's Main Activity.

In order to carry out its principal activity during the year, the Association relied on the material and human resources outlined in the following table:

I. Performed Activities

EDUCATION FOR DEVELOPMENT ACTIVITIES			
The following table outlines the aims, the funding methods, the financial and human resources used and the number of beneficiaries in the Entity's cooperation activities.			
PROJECT & SPECIFIC AIMS	COUNTRY	CLASSIFICATION BY SECTOR	
Health and Cooperation Report. Aim: Impact in Development Cooperation and Humanitarian Action official policies in Health Sector, in order to improve its quality, efficacy and efficiency.	Spain	Sensitiveness	
BENEFICIARY POPULATION:			
Total beneficiaries:	2.592		
Direct beneficiaries:	1.025		
Beneficiary population categories:			
	Individuals	Legal entities	
a) Public Institutions			Universities
Workers	405	5	
b) Parliamentarians	53	62	ONGD
c) Students	490	2	Ministeries
d)		8	Health Colectives
FUNDING METHODS	RESOURCES		
medicusmundi	44.448,46	Cash aid	
		Supplies	
		Staff costs	27.391,26
		Other expenditure	17.057,20
		Depreciation	
		Financial costs	
		Exchange rate differences	
TOTAL	44.448,46 €	TOTAL	44.448,46 €
STAFF EMPLOYED			
	Type of staff	Number	Hours/week
Aid workers			
Volunteers		1	2
Contracted service staff			
Local staff			

13.2 Allocation of resources to the Entity's aims.

a) Assets and rights directly linked to fulfilling its aims:

The Federation was set up without start-up capital and its social fund is currently made up of the accumulated surplus distributions proposed by the Executive Board. No part of the fund is made up of equity. The assets and rights that form part of the Federation's assets on its statement of financial position and its premises, furniture and equipment etc. are directly linked to fulfilling the Entity's aims.

b) Level of compliance in the allocation of income, including unearned income.

ALLOCATION OF UNEARNED INCOME													
Period	Surplus/ (Deficit) for the year	Negative adjust. (1)	Positive adjust. (2A+2 B+2C)	Base figure (2D)	Minimum unearned income to be allocated		Resources allocated to aims (EXPENDITURE + INVESTMENT S/(3))	2012	2013	2014	2015	2016	OUT- STANDING SUM
					Amount	%							
2012	-6.337,80	0,00	272.715,25	266.377,45	186.464,22	70,00%	279.138,15	279.138,15					0,00
2013	15.618,36	0,00	259.208,22	274.826,58	192.378,61	70,00%	268.483,63	268.483,63					0,00
2014	9.563,58	0,00	193.391,88	202.955,46	142.068,82	70,00%	221.496,01		221.496,01				0,00
2015	21.380,71	0,00	223.920,92	245.301,63	171.711,14	70,00%	232.467,68			232.467,68			0,00
2016	170.574,61	0,00	216.449,24	387.023,85	270.916,70	70,00%	222.430,39				222.430,39		48.486,31
TOTAL	210.799,46	0,00	1.165.885,51	1.376.484,97	963.539,49		1.224.015,96	279.138,15	268.483,63	221.496,01	232.467,68	222.430,39	48.486,31

CALCULATION OF BASE FIGURE FOR ALLOCATING RESOURCES TO THE ENTITY'S AIM										
ACCOUNTING SURPLUS										
1. NEGATIVE ADJUSTMENTS TO THE ACCOUNTING SURPLUS										
Non computable income										
NEGATIVE ADJUSTMENTS										
0,00										
2. POSITIVE ADJUSTMENTS TO THE ACCOUNTING SURPLUS										
2.A) Expenditure arising from activities undertaken to achieve the Entity's aims										
Cooperation project expenditure										
Jumanitarian aid project expenditure										
Education and awareness- raising project expenditure										
Joint costs										
Total expenditure related to the Entity's aim										
203.216,69										
2.B) Allocation to fixed asset depreciation and provisions related to activities to achieve the Entity's aims										
Depreciation and provisions										
13.232,55										
2.C) Income charged directly to net assets for changes to accounting policies to achieve corrections relating to previous years										
POSITIVE ADJUSTMENTS										
216.449,24										
BASE FIGURE (2D)										
387.023,85										
3. INVESTMENTS EXECUTED IN THE CURRENT ACTIVITY IN THE CONSEQUENCE OF ENTITY AIMS										
A/c No.	Investment detail	Purchase			Method of funding			Admissible investments		
		Date	Purchase Value	Own resources	Grant, donation or legacy	Loan	Amount up to 2014	Amount during 2015	Outstanding amount	
	Purchase of premises	08-11-02	270.455,00	14.455,00		256.000,00	186.888,55	16.754,73	66.811,72	
	Furniture acquisition	16-02-16	36,95	36,95				36,95		
	Furniture acquisition	10-05-16	1.669,80	1.669,80				1.669,80		
	Equipment acquisition	05-05-16	2.108,99		2.108,22			752,22		
TOTAL INVESTMENTS								19.213,70		222.430,39
TOTAL RESOURCES ASSIGNED DURING THE YEAR										

GM3 299/17

13.3 Resources used during the financial year

RESOURCES USED TO FULFIL AIMS DURING THE FINANCIAL YEAR			
RESOURCES	AMOUNT		
1. Expenditure on activities to fulfil aims (without depreciation or impairment adjustments) (2A)	203.216,69		
	Own funds	Grants, donations & legacies	Debt
2. Investments in activities carried out to meet aims	1.706,75	752,22	16.754,73
2.1 In the current year			
2.2 Carried forward from previous years and		752,22	16.754,73
a) Debts incurred in previous years and settled in current year			16.754,73
b) Allocation of capital grants, donations and legacies from previous years		752,22	
TOTAL RESOURCES USED IN THE YEAR (1)+(2)	222.430,39		

14.- TRANSACCIONES WITH FAMME ASSOCIATION MEMBERS.

The Federation of **medicusmundi** Associations brings together twelve Associations from around Spain.

The balance of account between the Entity and other MM Associations at the end of 2016 year is as follows:

Item	Debtor Bal.	Creditor Bal.
• MM. Álava	200,00	
• MM. Andalucía		128,98
• MM. Aragón		
• MM. Asturias		1.323,50
• MM. Bizkaia	3.355,78	
• MM. Cantabria		207,00
• MM. Castilla La Mancha	170,00	
• MM. Mediterrània		1.565,01
• MM. C. Valenciana- Alicante		1.026,43
• MM. Extremadura	40,00	
• MM. Nam	77.701,53	
• MM. Rioja		20,00
TOTAL	81.467,31	4.270,92

These balances are related to services provided, expenses etc.

The balance of account between the Entity and other MM Associations at the end of 2015 year was as follows:

Item	Debtor Bal.	Creditor Bal.
• MM. Álava	410,00	
• MM. Andalucía	928,92	
• MM. Aragón		
• MM. Asturias	190,19	
• MM. Bizkaia	390,00	
• MM. Cantabria	315,54	
• MM. Castilla La Mancha		
• MM. Catalunya		1.709,91
• MM. C. Valenciana- Alicante		2.067,72
• MM. C. Valenciana- Castellón		625,57
• MM. Extremadura		
• MM. Gipuzkoa	25,00	
• MM. Madrid		
• MM. Nam		2.455,99
• MM. Rioja	214,55	
TOTAL	2.474,20	6.859,19

These balances are related to services provided, expenses etc.

MM Associations beneficiaries of grants	Balance 31.12.15	Concessions	Transfers	Returns	Balance 31.12.16
PAYMENT OUTSTANDING GRANTS TO BENEFICIARIES	4.323.000,00	1.436.001,00	2.812.066,27	3.733,73	2.943.201,00
Conventions AECID 2014- 2017 (medicmundi navarra y medicmundi catalunya)	3.750.000,00		1.875.000,00		1.875.000,00
AECID Project 2016 medicmundi álava		298.051,00			298.051,00
AECID Project 2016 (medicmundi nam)		255.150,00			255.150,00
ECHO MALI 2015 (medicmundi andalucía)	250.000,00		150.000,00		100.000,00
ECHO MAURITANIA 2015 (medicmundi andalucía)	173.000,00		170.621,58	2.378,42	
ECHO BURKINA 2015 (medicmundi andalucía)	150.000,00		148.644,69	1.355,31	
ECHO MAURITANIA 2016		830.000,00	415.000,00		415.000,00

(medicusmundi andalucía)					
GENERAL ÓPTICA 2016 (medicusmundi bizkaia)		36.000,00	36.000,00		0,00
GENERAL ÓPTICA 2016 (medicusmundi andalucía)		10.000,00	10.000,00		0,00
GENERAL ÓPTICA 2016 (medicusmundi c-la mancha)		4.600,00	4.600,00		0,00
GENERAL ÓPTICA 2016 (medicusmundi nam)		900,00	900,00		0,00
GENERAL ÓPTICA 2016 (medicusmundi asturias)		700,00	700,00		0,00
GENERAL ÓPTICA 2016 (medicusmundi rioja)		600,00	600,00		0,00

MM Associations beneficiaries of grants	Balance 31.12.14	Concession	Transfers	Returns	Balance 31.12.15
PAYMENT OUTSTANDING GRANTS TO BENEFICIARIES	8.557.944,80	2.733.213,00	6.853.040,83	115.116,97	4.323.000,00
Conventions AECID 2014- 2017 (medicusmundi navarra and medicusmundi catalunya)	7.320.000,00		3.570.000,00		3.750.000,00
AECID Project 2014 medicusmundi andalucía	220.000,00		220.000,00		
AECID Project 2015 (medicusmundi nam)		346.613,00	346.613,00		
AECID 2015 Project (medicusmundi andalucía)		220.000,00	220.000,00		
ECHO MALI 2013 (medicusmundi andalucía)	68.000,00		68.000,00		
ECHO MALI 2014	180.000,00		180.000,00		

GM3 2997/17

(medicusmundi andalucía)					
ECHO MALI 2015 (medicusmundi andalucía)		500.000,00	250.000,00		250.000,00
ECHO MAURITANIA 2013 (medicusmundi andalucía)	120.000,00		54.975,57	65.024,43	
ECHO MAURITANIA 2014 (medicusmundi andalucía)	370.000,00		370.000,00		
ECHO MAURITANIA 2015 (medicusmundi andalucía)		865.000,00	692.000,00		173.000,00
ECHO BURKINA 2013 (medicusmundi andalucía)	4.944,80			4.944,80	
ECHO BURKINA 2014 (medicusmundi andalucía)	275.000,00		229.852,26	45.147,74	
ECHO BURKINA 2015 (medicusmundi andalucía)		750.000,00	600.000,00		150.000,00
GENERAL ÓPTICA 2015 (medicusmundi bizkaia)		36.000,00	36.000,00		0,00
GENERAL ÓPTICA 2015 (medicusmundi andalucía)		10.000,00	10.000,00		0,00
GENERAL ÓPTICA 2015 (medicusmundi c- la mancha)		3.600,00	3.600,00		0,00
GENERAL ÓPTICA 2014 (medicusmundi nam)		800,00	800,00		0,00
GENERAL ÓPTICA 2015 (medicusmundi asturias)		600,00	600,00		0,00
GENERAL ÓPTICA 2015 (medicusmundi rioja)		600,00	600,00		0,00

15.- OTHER INFORMATION.

15.1 Changes to the governing body, management and representation.

Executive Board 2016		Appointments		Resignations	
			Date Appoint.		Date Resign.
Chairman	Eduardo García Langarica				
Vicechairman	Máxima Lizán García	Máxima Lizán García	19/11/16	Carmen Sánchez Robles	19/11/16
Treasury	Ignacio Sánchez Monroy	Ignacio Sánchez Monroy	19/11/16	Alfredo Amilibia Elorza	19/11/16
Secretary	Jordi Morató- Aragonés Pàmies	Jordi Morató- Aragonés Pàmies	19/11/16	Luis Casado González	19/11/16
Vocal	José Luis Ayerbe Aguayo	José Luis Ayerbe Aguayo	19/11/16	Ricardo Fernández Quintana	19/11/16

Luis Casado González & Francisco Álvarez Embeita caused low on 19/11/16

Takeovers 2016	
Management	Félix Fuentenebro Fernández

Executive Board 2015		Appointments		Resignations	
			Date Appoint.		Date Resign.
Chairman	Eduardo García Langarica				
Vicechairman	Carmen Sánchez Robles				
Treasury	Alfredo Amilibia Elorza				
Secretary	Luis Casado González				
Vocal	Francisco Álvarez Embeita				
Vocal	Máxima Lizán García				
Vocal	Ricardo Fernández Quintana	Ricardo Fernández Quintana	14/11/15	Carlos Manuel Pablo Alcaine	14/11/15

Takeovers 2015	
Management	Félix Fuentenebro Fernández

15.2- Staff deployment.

The deployment of staff employed by the Federation, calculated both as a period average and as at 31-12-2016, is as follows:

Category	2016				TOTAL	Staff at 31-12-16
	Females		Males			
	Permanent	Temporary	Permanent	Temporary		
Office Staff	1,00		1,63		2,63	3
2 with post-secondary			1,63		1,63	2

Advanced Diploma						
1 with post-secondary Diploma.	1,00				1,00	1

The deployment of staff employed by the Federation, calculated both as a period average and as at 31-12-2015, is as follows:

Category	2015				TOTAL	Staff at 31-12-15
	Females		Males			
	Permanent	Temporary	Permanent	Temporary		
Office Staff	1,00		1,63		2,63	3
2 with post-secondary Advanced Diploma			1,63		1,63	2
1 with post-secondary Diploma.	1,00				1,00	1

15.3- Code of Conduct.

The Entity complies with the Code of Conduct for Not-for-Profit Entities in all its financial investments, which are detailed in point 7.1 of these Notes.

15.4- Managed Funds.

The funds managed by the Federation during the financial year amounted **216.449,24 euros**, and their breakdown between public and private funds is as follows:

Managed Funds 2016	Amount	Percentage
• <u>Public funds</u>	5.861,23	2,71%
• <u>Private funds</u>	210.588,01	97,29%

Managed Funds 2015	Amount	Percentage
• <u>Public funds</u>	53.059,88	23,70%
• <u>Private funds</u>	170.861,04	76,30%

15.5 Expenditure on education & awareness-raising, volunteerism, fair trade, gender, communications, marketing and fundraising.

The expenditure incurred in the **areas of education & awareness-raising, volunteerism, fair trade, gender, communications & marketing and fundraising** in the financial year is **31.632,51 euros**, equal to **14,61 %** of total managed funds of the period.

The incurred expenses in **political incidence on the line of action of Right to Health** and on **Social Transformation & Citizenship Construction** rise to **44.448,46 euros**, | **20,54%** of total resources managed in the period.

The breakdown is as follows:

AREA	ACTIVITY	Balance	%
VOLUNTEERISM	<ul style="list-style-type: none"> • Insurance 	28,00	0,04
Total Volunteerism		28,00	0,04
COMMUNICATIONS	<ul style="list-style-type: none"> • MM website maintenance • New MM Web Page • FAMME report • Strategic Plan Computer Graphics • Christmas card design 	4.393,37 19.282,94 3.112,40 217,80 108,90	5,77 25,35 4,09 0,29 0,14
Total Communications		27.115,41	35,64
MARKETING AND FUNDRAISING	<ul style="list-style-type: none"> • Solidary Legacies • Testamenta 	3.630,00 859,10	4,77 1,13
Total Marketing and Fundraising		4.489,10	5,90
POLITICAL INCIDENCE	<ul style="list-style-type: none"> • Payroll expenses • Fee MM. Internacional • Fee CONGDE • Health & Cooperation Report 	27.391,26 7.000,00 5.407,50 4.649,70	36,00 9,20 7,11 6,11
Total Political Incidence (Right to Health, Social Transformation & Citizenship Construction)		44.448,46	58,42
TOTAL AREAS EXPENSES 2016		76.080,97	100

AREA	ACTIVITY	Balance	%
EDUCATION AND AWARENESS	<ul style="list-style-type: none"> • Human Resources Project • Wages and Salaries • Health and Cooperation Report • Projection "A Luta Continua" 	25.022,88 13.059,10 4.399,61 300,00	41,82 21,82 7,35 0,50
Total Education and Awareness		42.781,59	71,49

VOLUNTEERISM	• Insurance	32,00	0,06
Total Volunteerism		32,00	0,06
COMMUNICATIONS	• MM website maintenance	4.901,71	8,19
	• New MM Web Page	5.285,95	8,83
	• FAMME report	2.887,60	4,83
	• Difussion Video in social networks	363,00	0,61
Total Communications		13.438,26	22,46
FUNDRAISING	• Fundraising	3.586,91	5,99
Total Fundraising		3.586,91	5,99
TOTAL AREAS EXPENSES 2015		59.838,76	100

15.6- Public and private fundraising.

The public and private funds raised by the Federation during the financial year were as follows:

Fundraising	Balance	Percentage
• Public Funds	2.108,99	0,80%
• Private Funds	260.011,73	99,20%
Repayable private grants	80.000,00	30,52
Own income	180.011,73	68,68%
TOTAL 2016	262.120,72	100%

Fundraising	Balance	Percentage
• Public Funds	30.000,00	10,94%
• Private Funds	244.271,45	89,06%
Repayable private grants	80.000,00	29,17%
Non-Repayable private grants	1.602,86	0,58%
Private finalists donations		
Own income	162.668,59	59,31%
TOTAL 2015	274.271,45	100%

The breakdown of **public funds** is shown in the table on grants in section 12 of these Notes to the Accounts, including both the public grants raised and the interest earned on them.

The **private funds** raised are of two kinds:

- Received by the Association in a **generic way** affecting the Income Statement of the period, amounted **180.011,73 euros**.

- Private grants and finalists donations, to finance projects for which have been received, amounted **80.000,00 euros**.

15.7- Information regarding the Executive Board.

During 2016 financial year, the Executive Board members did not carry out any transactions with the Federation or the Group's Associations outside the ordinary course of business or in conditions other than those prevailing in the market.

The Federation, as per its Statutes shows that all members of the Executive Board are altruistic, therefore without any remuneration related to its position in the Board.

The Executive Board members do not own shares, hold positions or carry out duties in any companies with the same, similar or complementary social aims to the Federation. However, some Executive Board members hold management positions in the Group to which the Association belongs but these roles have not been included in these Notes given that they have no effect on their duties of diligence and loyalty or on potential conflicts of interest in the context of refunded text of the Law of Capital Entities approved by Real Decree 1/2010 of 2nd de Julio.

15.8- Auditors' remuneration.

The remuneration to the Federation of **medicusmundi** Associations' auditors for services provided during the 2016 financial year is 1.387,37 euros without taxes. In 2015 amounted 1.365,52 euros.

15.9- Information relating to the Environment.

The signatories to these Annual Accounts, as members of the Federation of **medicusmundi** Associations' Executive Board, state that there is no item in the Federation's accounts relating to these Annual Accounts that should be included in this document, apart from the environmental information stipulated by the Ministry of Economy Order of 8th October 2001.

The Federation has no responsibilities, expenditure, assets, provisions or contingencies of an environmental nature which could have a material effect on its assets, financial position and income statement.

15.10.- Status of accomplishment of legal deadlines of payment to suppliers in commercial operations.

According to the established on the final second provision of Law 31/2014, of 3rd of December, in which is modified the Capital Entities Law for the improvement of the corporate governments, the additional provision of the third Law 15/2010, of the 5th of July is also modified, as it is Law 3/2004, of the 29th of December, in which there are established politics of fight against delinquency in commercial operations, the follow is indicated:

	2016	2015
Average period of payment to suppliers	1,28	11,71

The maximum period of payment to suppliers is 60 days.

GM3 299/17

15.11- Additional Information

- a) The Federation does not own any percentage shareholding in commercial companies.
- b) The Federation's Executive Board members, as a result of their roles as Directors, have no financial interest in commercial companies and, therefore, do not receive any remuneration from such companies.
- c) Economic Cooperation Agreements in general interest activities signed by the Entity in 2016 period are as follows: General Óptica and Caja Laboral.
General Óptica has economically support with 80.000,00€ **medicusmundi** projects in South and del North countries. In the South, giving priority to eye-care projects in Burkina Faso, Guatemala and Morocco. In the North, supporting our "Maratones de Cuentos" performed by various **medicusmundi** Associations. The aim of theses "Maratones" is trying to sensitize to smaller and to non-smaller, through tales, of the importance of Millenium Objectives. In this sense, **medicusmundi** has promoted and spread in its newsletters, magazines and web page the mentioned Cooperation with General Óptica.
Bankia has cooperated with the Federation of **medicusmundi** with 2.616,40€. In this sense, the Federation has promoted and spread in its newsletters, magazines and web page to this cooperation.
Caja Laboral has cooperated with the Federation of **medicusmundi** with 342,68€. In this sense, the Federation has promoted and spread in its newsletters, magazines and web page to this cooperation.
La Caixa has cooperated with the Federation of **medicusmundi** with 5.475,28€. In this sense, the Federation has promoted and spread in its newsletters, magazines and web page to this cooperation.
- d) The Federation does not carry out any priority patronage activities.
- e) In article 63 of its Articles of Association, the Federation states that "In the event that the Federation is dissolved, assuming that that there are any assets remaining, the General Meeting that approved the dissolution shall nominate a liquidation committee from among the Executive Board members to be responsible for the existing funds so that, once the Federation's obligations have been satisfied, the remaining funds, if any, shall be distributed equitably and proportionally between the member Associations of the Federation of **medicusmundi** Associations".
- f) The amount of payments, in cash or in kind, made by the Federation to its trustees representative or to members of governmental bodies, whether as reimbursement for expenses arising from the performance of their duties or as remuneration for services provided to the Federation other than those inherent in their duties, is as follows:

Assistance to Executive Board Meetings	2.782,27
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16.- BUDGET VARIANCE ANALYSIS FOR 2016 FINANCIAL YEAR

ITEM	BUDGET	ACTUAL	VARIANCE	ITEM	BUDGET	ACTUAL	VARIANCE
EXPENDITURE TRANS.				INCOME TRANS.			
1. CASH AID & OTHER COSTS FOR ED. FOR DEV. PROJ. (HUMAN RES. PROJ).				1. ENTITY'S ACTIVITY INCOME	1.400	5.818	-4.418
2. COOPERATION & GOV. BODIES	3.600	2.782	-818	2. FEES	101.705	88.575	13.130
3. OPERATING SUPPLIES				3. PROMOTERS, SPONSORS, ...			
4. STAFF EXPENSES	112.229	115.839	3.610	4. GRANTS, DONATIONS & LEGACIES	61.900	258.609	-196.709
5. DEPRECIATIONS, PROVISION & OTHERS	69.786	96.596	26.810	5. OTHER INCOME	14.611	33.707	-19.096
6. FINANCIAL EXPENSES	760	1.152	392	6. FINANCIAL INCOME	1.050	1	1.049
7. EXTRAORDINARY EXPENSES		80	80	7. EXTRAORDINARY INCOME		314	-314
				APPLICATION OF FINAL DONATION	5.709		5.709
SUBTOTAL OPERATIONAL TRANSACTION EXPENDITURE	186.375	216.449	30.074	SUBTOTAL OPERATIONAL TRANSACTION INCOME	186.375	367.024	-200.649
GRANTS TRANSFERABLE TO MM ASSOCIATIONS	4.323.000	2.812.066	-1.510.934	GRANTS TRANSFERABLE TO MM ASSOCIATIONS	4.323.000	2.812.066	1.510.934
TOTAL OPERATIONAL TRANSACTION EXPENDITURE	4.509.375	3.028.516	-1.480.859	TOTAL OPERATIONAL TRANSACTION INCOME	4.509.375	3.199.090	1.310.265

17.- BUDGET FOR 2017 FINANCIAL YEAR

EXPENSES	BUDGET	INCOMES	BUDGET
EXPENDITURE TRANS.		INCOME TRANS.	
1. CASH AID & OTHER COSTS FOR ED. FOR DEV. PROJ. (HUMAN RES. PROJ).		1. ENTITY'S ACTIVITY INCOME	2.200
2. COOPERATION & GOV. BODIES	3.600	2. FEES	95.800
3. OPERATING SUPPLIES		3. PROMOTERS, SPONSORS, ...	
4. STAFF EXPENSES	115.125	4. GRANTS, DONATIONS	64.500
5. DEPRECIATIONS, PROVISION & OTHERS	73.704	5. OTHER INCOME	14.491
6. FINANCIAL EXPENSES	443	6. FINANCIAL INCOME	1.050
7. EXTRAORDINARY EXPENSES		7. EXTRAORDINARY INCOME	
		APPLICATION OF FINAL DONATION	14.832
SUBTOTAL OPERATIONAL TRANSACTION EXPENDITURE	192.872	SUBTOTAL OPERATIONAL TRANSACTION INCOME	192.873
GRANTS TRANSFERABLE TO MM ASSOCIATIONS	2.943.201	GRANTS TRANSFERABLE TO MM ASSOCIATIONS	2.943.201
TOTAL OPERATIONAL TRANSACTION EXPENDITURE	3.136.074	TOTAL OPERATIONAL TRANSACTION INCOME	3.136.074