

MEDECINS SANS FRONTIERES (UK)

# Annual Report and Accounts 2021



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# Annual Report and Accounts **2021**

## FOR THE YEAR ENDED 31 DECEMBER 2021

The Board of Trustees (who are also the Directors for the purposes of the Companies Act 2006) present their report along with the financial statements of the charity for the year ended 31 December 2021. This report constitutes the Strategic Report and the Directors' Report required under the Companies Act 2006.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Médecins Sans Frontières (UK) Articles of Association and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102 ("Charities SORP (FRS102) second edition – October 2019").

Company limited by guarantee

Company number 02853011

Charity number 1026588

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## Details of registration

Médecins Sans Frontières (UK) was set up in September 1993 as a registered charity (charity number 1026588) and a company limited by guarantee (company number 02853011). The registered and principal office is Chancery Exchange, 10 Furnival Street, London EC4A 1AB, UK.

Phone: +44 (0)20 7404 6600

Website: [www.msf.org.uk](http://www.msf.org.uk)

Full contact details, including email, are available at [www.msf.org.uk/contact-us](http://www.msf.org.uk/contact-us)

## Our names

The name of the charity is Médecins Sans Frontières UK. This is commonly abbreviated to MSF UK. We are a member of the Médecins Sans Frontières movement, commonly referred to as MSF. Throughout this report, MSF UK is used when referring to the services and activities conducted and provided in the UK. MSF is used when referring to the whole movement and to our medical humanitarian projects. We are also known as Doctors Without Borders.

# 1 Reference & administrative details

## Directors and Trustees

The directors of the Charitable Company ('the charity') are its trustees for the purpose of charity law. The Trustees and officers serving during the year up to the date of this report were as follows:

### Elected Trustees

Nicola McLean – Chair of the Board of Trustees (from 12 June 2021)

Javid Abdelmoneim (term ended 12 June 2021)

Emma Simpson (term ended 12 June 2021)

Rachael Craven

Christopher Peskett

Vita Sanderson

Sam Turner

Robert Verrecchia

Mohammed Tariq Ali (elected 12 June 2021)

Ruby Siddiqui (elected 12 June 2021; resigned 23 July 2021)

### Co-opted Trustees

Dalwardin Babu

Eve Bruce (co-opted 23 April 2021)

Sophie Hodder (co-opted 30 July 2021)

Derek Morgan – Treasurer, Vice-Chair of the Board of Trustees (Vice-Chair from 30 July 2021)

### MSF UK Senior Management Team

Donald Campbell – Head of Communications

Caroline Doan – Head of Finance and Services

Elizabeth Harding – Humanitarian Representative

Vickie Hawkins – Executive Director

Roland Imi – Head of Information Technology

James Kliffen – Head of Fundraising

Kiran Jobanputra – Head of the Manson Unit (until 15 July 2021)

Chiara Lepora – Head of the Manson Unit (from 26 May 2021)

Kristen Veblen McArthur – Head of Executive Office and Company Secretary

Simone Vale – Head of Human Resources

### Principal advisors

Auditors: BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex RH6 0PA

Bankers: Bank of Scotland, 38 Threadneedle Street, London EC2P 2EH

Solicitors: Bates Wells, 10 Queen Street Place, London EC4R 1BE





At Hôpital Immaculée Conception in Les Cayes, Haiti, MSF staff provide physiotherapy for patients injured in the earthquake, helping people regain strength and mobility. Photo: Pierre Fromentin/MSF

# 2 MSF UK's medical humanitarian work in 2021

Médecins Sans Frontières UK (MSF UK) raises money and recruits staff to support the work of MSF's medical humanitarian projects around the world. MSF UK also raises public and political awareness of MSF's work within the UK and provides strategic and technical support to MSF's projects.

In 2021, MSF projects provided lifesaving care in 72 countries, and 87 per cent of MSF UK's total expenditure was in support of our medical humanitarian work and social mission costs. The work of MSF UK and the generosity of its supporters ensure that MSF can continue to provide medical care where it is needed most.

## MSF's response in emergency situations and long-term protracted crises

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MSF projects are designed to meet both the immediate and long-term medical humanitarian needs of those who are most vulnerable. Every situation we work in is different and our responses are tailored to the particular needs in each location.

MSF acts swiftly to understand the needs of people caught up in emergencies and unfolding crises, including fast-spreading epidemics and natural disasters, to gauge how we can relieve their immediate suffering.

In protracted crises, MSF's responses may be broader in scope and designed around longer-term projects, adapting our services as required to reflect the needs of the people and communities we are assisting.

Whether in emergency situations or protracted crises, it is our locally hired colleagues who provide the majority of care to the people MSF assists and who work tirelessly for their communities.

In 2021, the projects or countries that received the largest grants from MSF UK were Mozambique (£7.8 million), South Africa (£4.3 million), South Sudan (£3.9 million), Afghanistan (£3.8 million) and Democratic Republic of Congo (£3.6 million). We have highlighted some of MSF's activities in these countries in 2021 immediately below and throughout this report.

More information on MSF UK's activities can be found at [www.msf.org.uk](http://www.msf.org.uk).

## Democratic Republic of Congo

Democratic Republic of Congo (DRC) has endured decades of crises, including far-reaching violence and widespread outbreaks of diseases. MSF's programme in DRC is one of its largest. In 2021, MSF provided vital humanitarian and medical assistance in 21 of DRC's 26 provinces.

Our services included general and specialist healthcare, nutritional support, vaccinations, paediatric and maternal care, medical and psychological support for victims of sexual violence and vulnerable people, as well as treatment and prevention activities for HIV, TB and cholera.

In 2021, measles was once again on the rise following the 2018-20 outbreak – the worst ever recorded. We also responded to two outbreaks of Ebola, typhoid, COVID-19 and endemic malaria. Following the eruption of the Nyiragongo volcano in May, MSF teams responded in multiple areas across North and South Kivu to provide medical care and water and sanitation services for displaced people.



MSF Doctor Benjamin Safari examines Emeriane, 11 months old, in the paediatric ward under tents of the health centre in Rhoé camp managed by MSF. She is in the arms of her mother Françoise. Photo: Alexis Huguet



## Mozambique

The conflict in Mozambique's northeast Cabo Delgado province escalated in 2021, with hundreds of thousands of people impacted by violence and left homeless or displaced. Our teams provided medical and mental healthcare and ran mobile clinics to support health centres and cholera treatment centres. In 2021, MSF established projects in hard-to-reach places in the province, such as Palma, Macomia and Mueda, which also serve as hubs to reach nearby districts in the northernmost part of the province. Our teams also provided clean drinking water, improved sanitation and distributed relief items to people in transit, in resettlement camps and in host communities.

In Maputo, our harm reduction programme for people who use drugs is the only one in the country to implement all the interventions recommended by the World Health Organization (WHO). These include needle and syringe distribution, opioid substitution therapy and overdose treatment.

In Beira, we provide sexual and reproductive healthcare, including HIV testing and treatment and termination of pregnancy to vulnerable and stigmatised groups of people, including sex workers, men who have sex with men and young people at risk. We also provide sexual and reproductive health services at health centres and in Beira's Central Hospital. In 2021, MSF also provided support to the Ministry of Health in Sofala during emergencies including the aftermath of Cyclone Eloise.



Patients wait in a clearing under a tree to be seen by a medical team providing consultations out of a mobile clinic which MSF is running in the Nicuapa reallocation site for internally displaced people fleeing armed conflict in Cabo Delgado. Photo: Tadeu Andre



## Afghanistan

MSF focuses on emergency, paediatric and maternal healthcare in Afghanistan, which has one of the highest maternal mortality rates in the world.

In August 2021, the Islamic Emirate of Afghanistan (also known as the Taliban) entered the city of Kabul as the government collapsed. MSF teams stayed in place and continued to provide medical care at five projects in Herat, Kandahar, Khost, Kunduz and Lashkar Gah.

Hospitals and medical facilities across the country came under extreme pressure with staff and equipment shortages due to a severe lack of funding.

Over the months following the takeover, our teams treated high numbers of malnourished children in our inpatient feeding centres in Helmand and Herat.



MSF anaesthetist, Wais, carries out a check on Esa, 63, prior to surgery to remove a kidney stone Boost hospital, Lashkar Gah, Helmand Province, Afghanistan. Photo: Tom Casey

## South Africa

South Africa has the largest HIV patient cohort in the world and one of the highest burdens of tuberculosis (TB). MSF maintains its focus on innovating new strategies for preventing these killer diseases and reducing HIV/TB illness and mortality. At the start of 2021, the country also faced a severe second wave of COVID-19.

In KwaZulu-Natal province, our project drew on lessons from its successful community-based HIV strategy in order to enhance TB prevention, find missing TB cases and improve treatment outcomes for TB patients.

The Khayelitsha project near Cape Town continued to develop and implement treatment regimens for multidrug-resistant TB (MDR-TB) and innovative models of care for patients living with HIV and TB.

In October, it was announced that TB PRACTECAL, a clinical trial led by MSF, had found a new all-oral six-month treatment regimen to be safer and more effective at treating rifampicin-resistant tuberculosis (RR-TB) than the current accepted standard of care. The trial took place in sites across South Africa, Belarus and Uzbekistan.



Treating the COVID-19 Second wave in South Africa. Photo: Chris Allan



## South Sudan

Exposed to extreme violence and living in fear for their lives, hundreds of thousands of people in South Sudan are living in deplorable conditions, unable to access even basic necessities such as food, water and healthcare. MSF works in hospitals and clinics across the country, running some of our biggest projects worldwide.

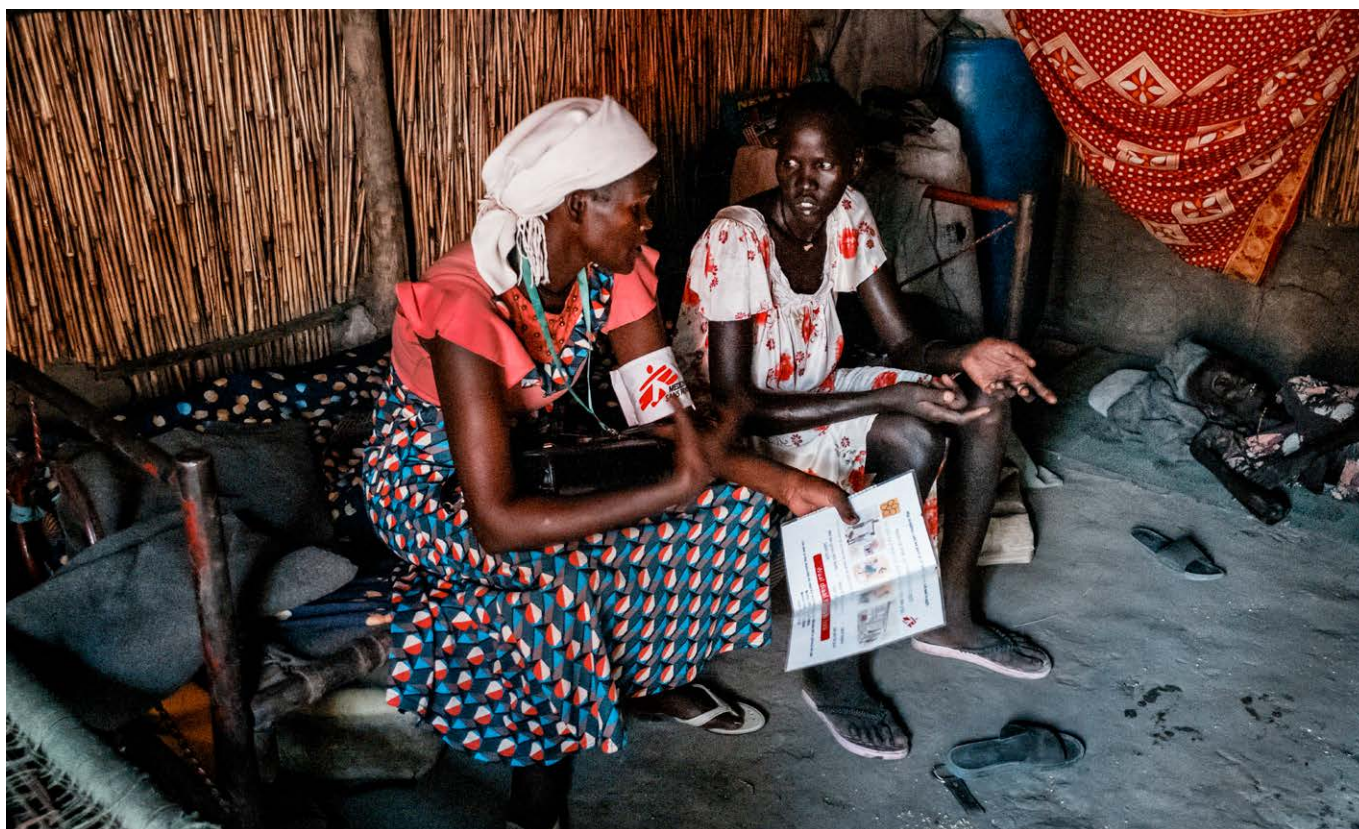
From May 2021, floods hit eight of the 10 states in South Sudan. MSF teams scaled up their activities to respond to the floods in Jonglei and Unity states, where we witnessed a drastic increase in malaria, acute watery diarrhoea, respiratory tract infections, malnutrition and snakebites.

Despite our repeated warnings about terrible conditions in the camp for displaced people in Bentiu, Unity state, the situation in the camp continued to deteriorate and our teams recorded a sharp rise in cases of watery diarrhoea and hepatitis E during and after the floods. By August, MSF teams were treating four times more people with hepatitis E than in previous months. Acute malnutrition in the camp was also well above the World Health Organization's emergency threshold.

In June, MSF opened a health centre in Maruwa, in the Eastern Greater Pibor Administrative Area. There are few medical facilities in this region near the border with Ethiopia, where semi-nomadic and pastoralist communities live scattered across a vast area. MSF's mobile clinics provided medical care to residents of remote villages and people on the move.

In Aweil, in Northern Bahr El Ghazal state, MSF worked with the Ministry of Health to implement seasonal malaria chemoprevention (SMC) to reduce cases of malaria in children under five.

Inconsistent malaria prevention activities, largely due to years of conflict and insecurity, have led to a situation where more than one-third of all deaths in South Sudan are caused by malaria. By the end of the campaign, more than 25,000 children had been protected against the disease.



A MSF CBC (Community Based Care) woman in the Protection of Civilians IDP camp works with women to discuss SGBV (Sexual and Gender Based Violence) in South Sudan. Photo: Sean Sutton



# 3 How we support MSF's medical humanitarian work

Each MSF office, including the UK, plays a part in providing staff, resources and budget to the MSF operational centres, so that they can maintain MSF's projects and ensure we are working where we are needed most.

## People

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In 2021, MSF UK deployed 147 UK staff to medical humanitarian projects in 38 different countries around the world.

Despite ever-changing travel restrictions, complex quarantine hotel bookings and vaccination complications, our staff still managed to join emergency responses in regions affected by violence including Ethiopia, Haiti and Sudan, and to provide medical care and support to health services in other conflict regions including South Sudan, Syria and Yemen.

MSF UK had a busy virtual Learning and Development programme for field staff throughout 2021, with key topics including Safeguarding, Welcome Days and Leadership courses. The MSF UK grant scheme further supported 18 staff with costs related to medical revalidations and training courses, which ranged from Advanced Paediatric Life Support to Humanitarian Water Engineering and Major Incident and Medical Management.

## Expertise

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### Medical support

MSF UK is home to the Manson Unit, a multidisciplinary medical team that includes infectious disease specialists, epidemiologists, public health practitioners, social scientists, and eHealth experts. By combining research and medical humanitarian experience, they aim to help shift understanding and practice across the professional landscapes of medical humanitarianism.

The first of two key successes from the Manson Unit include this year's results from TB PRACTECAL, a clinical trial that showed how a new, all-oral, six-month treatment regimen is safer and more effective at treating drug-resistant tuberculosis than the current accepted WHO standard of care. Eighty-nine per cent of patients in the new regimen group were cured, compared to 52 per cent in the standard care (control) group. MSF has shared this data with the WHO and is working to ensure that these results contribute to a shorter, safer and more effective treatment regimen becoming accessible in all countries.

Another key success was a mixed methods research project exploring maternal and child health-seeking behaviour and the impact of MSF's response in Sierra Leone. The project is an example of important work being done with the aim of reducing maternal and child mortality worldwide. Run jointly with Australia National University, the study's findings suggest that considerable progress has been made in reducing barriers to care for pregnant women and young children in Sierra Leone, along with significant progress on several health indicators.

## Advocacy, communications and representation

During 2021, the Communications Department provided significant support to MSF's priorities, both in the UK and across the movement. The department worked with MSF's communications team in Afghanistan at a time of high media pressure and extensive public interest, ensuring that MSF's medical humanitarian priorities, and the challenges faced by the people we assist, were reflected in news coverage and on social media.

Digital and media communications together helped to drive a strong donor response to MSF UK's fundraising appeal, providing resources for our medical work in Afghanistan and neighbouring countries.

In addition, MSF UK's communications focused on two key medical themes: pushing for measures to increase access to medical tools related to COVID-19; and amplifying the successful results of MSF's TB PRACTECAL trial (see above). Effective communications of these results will play a key role in ensuring that this treatment is available as soon as possible to all patients.

Later in the year, UK migration policy again became a key area of concern, as the government brought forward harsh proposals which seek to replicate some of the worst policies MSF teams have seen around the world – from 'offshore detention' in Nauru to 'pushbacks' at European borders. The Communications Department and Humanitarian Advocacy Analysis Representation and Policy (HAARP) Unit (formerly the Programmes Unit) worked closely to raise awareness among parliamentarians of all parties, journalists, supporters and the wider public of the likely consequences of these proposals, which are contained in the Nationality and Borders Bill. At the time of writing, the Bill is continuing its progress through parliament, but we continue to push for some of the more extreme provisions to be amended.

Our HAARP Unit provided representation of MSF's medical and humanitarian work to the British government and other key stakeholders in the UK's political and humanitarian sector. The team also runs a Mis/Disinformation Transformational Investment Capacity (TIC) project which has developed an 'emergency response' capacity to respond to harmful or dangerous disinformation to which MSF staff or MSF operations have been exposed. As well as managing eight serious cases in 2021, a team of 17 'super-reporters' from our digital media colleagues around the world were trained to evaluate and classify online disinformation against MSF and to report these to the social media companies. The project also improved contacts with the security teams at Facebook, Twitter and TikTok to ensure a rapid escalation pathway.

Following cuts to Foreign and Commonwealth Development Office (FCDO) funding for neglected tropical diseases, MSF UK worked to raise awareness of critical shortages in the pipeline for diagnostics and drugs for countries where kala azar (also known as visceral leishmaniasis) is endemic before the upcoming peak season. This included alerting the potential for increased levels of transmission, infection and mortality, as well as the likelihood of outbreaks. Connections were made with several philanthropic organisations to help urgently bridge these gaps and support ministries of health. Since then, MSF has looked for ways to provide medical support during outbreaks of kala azar in Sudan and published with partners a call to action for an enhanced control strategy for the elimination of kala azar as a public health problem in eastern Africa.

## Fundraising activities

Key metric 2021	Result
In 2021, MSF UK plans to raise £60.6 million to fund the MSF movement's medical humanitarian projects.	In 2021, MSF UK raised £63.5 million in donations and legacies.

MSF UK's fundraising in 2021 was a remarkable achievement, given that COVID-19 restrictions led to significant changes in the way we work, with face-to-face fundraising, in-person interactions with donors and live events significantly reduced or cancelled altogether. However, through innovative online campaigning and strong donor relations, MSF UK was still able to engage supporters and donors throughout the year.

MSF UK's fundraising approach is focused on using MSF staff and patient testimonials to bring our supporters closer to the medical humanitarian work that their generosity makes possible. Private individuals and organisations provide 100 per cent of our funding in the UK.

We take great care to maximise the proportion of every donation that is spent on our humanitarian work. In 2021, we raised £6.60 for each pound we invested in generating funds. This compares to £8.11 in 2020. We received an extraordinary response from our supporters to the COVID-19 pandemic in 2020, which has continued in 2021 with our Afghan Crisis Appeal. The main reason for the difference between the years in donations received per pound invested is due to the receipt of significant legacy gifts in 2020. See the Financial review in section 9 for further details.

We strive to provide the highest standard of stewardship to the private individuals and organisations that fund MSF UK. In 2021, we achieved joint first place for the overall experience we provided to our donors in the THINK Stewardship Tracker, when compared to 22 other charities.

MSF UK adheres to leading standards in our fundraising activities and is a member of both the Fundraising Regulator and the Direct Marketing Association. All third-party organisations acting on behalf of MSF UK are closely supported and supervised to ensure they provide the highest possible level of service. We work hard to inspire and motivate the teams that represent us, including through regular briefings from our medical and logistical staff.

A complaints procedure in the Fundraising Department records and responds appropriately to any complaints. We also adhere to a vulnerable persons policy in relation to fundraising. In 2021, we received and responded to 55 complaints (compared to 78 in 2020) in relation to our fundraising activities.

We talk with supporters across the UK to better understand their needs and motivations. These discussions define our approach to fundraising and help us meet our supporters' wishes and interests. Feedback is highly valued and encouraged. The result is that we send fundraising appeals to our donors less frequently than is common practice; we have also never allowed other charities access to our supporters' details.





The SAR (Search and Rescue) team picks up horse shoes in the sea during a drill in order to be ready for the rescues. Photo: Virginie Nguyen Hoang/HUMA

# 4 MSF UK 2021 performance

In 2021, as we entered the second year of the COVID-19 pandemic, we continued to feel its impact, including related health, safety and wellbeing considerations and the challenges of remote working. Despite the ongoing challenges, we achieved notable successes, including meeting the demands of

our medical programmes experiencing context changes in settings such as Afghanistan and Ethiopia; deploying campaigning and activist tactics to work on access to COVID-19 vaccines and refugee and migration policies; achieving remarkable results in income; and exceeding departure targets (previously lowered in response to the impact of COVID-19). At the same time, we sustained the vital support functions to all those activities that make a direct contribution to MSF's social mission, while making ongoing system, policy and process improvements within those same support functions. Our staff continue to prove their resilience and dedication to MSF UK and the medical humanitarian work of the MSF movement, including a second UK operation in our home society relating to mental health services for refugees and asylum seekers in the UK.

## Strategic Direction in 2021

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In 2021, the contextual challenges of the COVID-19 pandemic remained, and while we continued to make progress with our ambitions as set out in the 2020–2023 Strategic Direction, this progress was slower than anticipated. This is reflected in our performance against strategic objectives in 2021.

## Valuing people

By 2023, MSF UK will be an organisation in which all those who work with and for us – whether in the UK or in MSF's projects – feel valued in their working lives and are treated with fairness and respect. MSF UK will foster a healthy work environment built on community, inclusivity, diversity and a proactive idea of acceptance, where professional development meets the needs of both MSF UK and its staff.

Objectives	Completed actions in 2021
<p>Broaden our focus to deliver a specific strategy and action plan to achieve our vision of embedding diversity, equity and inclusion (DEI) in MSF UK</p>	<p>The Executive and Board of MSF UK reported twice in 2021 on our progress against anti-racism commitments made in 2020. Progress includes:</p> <ul style="list-style-type: none"> <li>• the completion of a review of all Human Resources policies to check for statements that undermine workforce inclusion, fairness and diversity;</li> <li>• an increase in the proportion of locally hired MSF staff members enrolled as students in the Leadership Education Academic Partnership (LEAP) and Global Health and Humanitarian Medicine (GHHM) programmes; and</li> <li>• supporting staff with time to engage in self-directed learning using curated resources related to these issues.</li> </ul>
<p>Broaden our focus to deliver a specific strategy and action plan to achieve our vision of embedding diversity, equity and inclusion in MSF UK (continued)</p>	<p>Additionally, we reached an important milestone regarding diversity, equity and inclusion with the completion of an externally supported audit of diversity, equity and inclusion policies, practices and processes. This was delivered to the MSF UK Board of Trustees and Management Team for review, and has informed the creation of a vision and action plan. Action planning workshops with senior management were completed in 2021 and a final vision and action plan will be presented to the Management Team and Trustees in Q1 2022.</p> <p>Trustees agreed on a diversity and inclusion policy, with reference to the principles of the Charity Governance Code and the NCVO Charity Ethical Principles.</p>
<p>Embed equity, safeguarding and duty of care in our HR policies and processes, in part guided by the results of a diversity, equity and inclusion audit</p>	<p>Data collection of protected characteristics information about all MSF UK and MSF Ireland (MSF IE) staff, Association members and volunteers was begun in 2021.</p> <p>A review of all HR policy was started. Following receipt of audit findings, this will continue in 2022.</p> <p>Manager training and support in place and ongoing, to ensure staff can work at their best, including considerations of reasonable adjustments, mental health support and flexible working.</p> <p>All new staff attend mandatory safeguarding training, with planned mandatory refresher training every two years.</p>
<p>Improve the diversity and representation of all staff in MSF UK's recruitment and communications</p>	<p>Full recruitment policy and process review begun, ensuring that diversity and representation are taken into account from branding and job design to selection and on-boarding.</p> <p>Language review started by Communications Department with HR support, in coordination with Operational Centre Barcelona-Athens (OCBA) and MSF Canada, to be completed in 2022.</p> <p>Board of Trustees reviewed its skills matrix to include competencies developed through a diversity lens, and proposed recruitment to address the highlighted skills gaps in lived experience.</p>
<p>LEAP and GHHM programmes as key investments to break down barriers to career progression for locally hired staff</p>	<p>For the course year July 2021 to May 2022, the GHHM UK and GHHM South Asia courses have enrolled 161 MSF doctors of 45 different nationalities; 134 (83 per cent) are from low- and middle-income countries and 86 (53 per cent) are locally hired.</p> <p>An increase in reaching out to locally hired MSF doctors working in projects and programmes, by reinforcing our direct call to all MSF programmes for applications (to heads of mission, medical coordinators and HR coordinators), resulting in a steep rise in the enrolment of locally recruited doctors to the GHHM programme.</p> <p>In 2021, 51 per cent of staff enrolled in the LEAP programme were recruited locally. This is an 11% increase on the 2020 baseline of 40 per cent.</p>



## Igniting change

To capitalise on the desire from our supporters to contribute to our work in meaningful, non-financial ways, we will develop a bold model of engagement and activism that empowers our supporters to act as conduits for change. They will be ‘change agents’: amplifiers of our messages and the voices of our patients and their communities.

By 2023, MSF UK will have a supporter strategy built on proven engagement activities, which will improve supporter retention and capitalise on the actions of our current supporters, while identifying opportunities to engage new groups. Our strategy will be appropriately resourced, integrated and reinforced by internal processes and systems. We will ensure that our efforts complement initiatives across the movement, adding value to MSF’s wider operational objectives.

Objectives	Completed actions in 2021
Raise £61.2 million in private income (£60.6m through donations and legacies)	In 2021, MSF UK raised £63.5 million in donations and legacies: £22.5 million from regular giving, £14.1 million from appeals, £12.3 million from legacies, £8.7 million from charities and trusts, £3.3 million from sponsorship, events and collections, and £2.6 million from corporate donors.
Seek out new opportunities for supporter engagement, advocacy and activist mobilisation	Supporters mobilised to bolster advocacy-communications priorities on Trade-related Intellectual Property Rights (TRIPS) (see below) and Nationality and Borders Bill.
Further develop strategic coordination, which can better mobilise supporters to bring about change within specific medical humanitarian issues	Representatives from Communications Department, HAARP Unit, Fundraising Department and Manson Unit met regularly throughout the year to assess shared priorities and determine action required.
Undertake a project to positively influence public opinion and government policy around the waiving of intellectual property rights relating to COVID-19 vaccines and therapeutics to ensure these can be accessed by all who need them	Our activities in this area yielded positive outcomes including: significant high-profile media coverage on the issue (e.g. BBC Radio 4 Today Programme, BBC Radio 5 live, The Telegraph). This was one of our most engaging topics on social media: there was strong engagement from existing MSF supporters on TRIPs (as well as the National Borders Bill), for example when promoted in ‘Frontline’ email. The UK government remains opposed but is increasingly isolated in this, both domestically and internationally.

## Ways of working

By 2023, MSF UK will have begun a programme of change to create new, more effective and more efficient ways for its UK-based staff to work. To achieve this goal, we will evaluate our processes, systems, relationships and organisational design to identify where these are already functioning correctly, and what the barriers are that prevent us from reaching our full potential.

Objectives	Completed actions in 2021
Transition from the design to construction phase of MSF UK's new finance system	The system was successfully developed and tested, with Go-Live for our new finance systems taking place in January 2022.
Improve systems and processes related to procurement, cyber security and HR	<p>Audit of HR data needs and current reporting is ongoing.</p> <p>Process-mapping and streamlining of all HR processes on staff journey, starting with recruitment/onboarding, Learning and Development, and offboarding is ongoing.</p> <p>Cyber security remediation programme is coming to a close, culminating in a re-audit of our systems and processes in early Q1 2022. New vision, strategy and operating model for procurement was approved in 2021 for implementation, starting in 2022.</p>
Review the implementation of this strategic goal to capitalise on the lessons learned from our current context and better define what 'good' will look like at the end of the strategic period	A review of the Strategic Direction and associated Key Performance Indicators was undertaken by the management team and delivered to Trustees. The review concluded that the ambitions described in the Strategic Direction remain relevant and important, but that our current context requires a decrease in scope, particularly in the Ways of Working pillar, where there should be a clearer focus on successful implementation of systems and efficiencies.

## Climate crisis and global health

Between 2020 and 2023, MSF UK has committed to act as a convener on climate and health, developing knowledge, skills and innovative approaches on behalf of the MSF movement. We have committed to bring together data and stories from our projects to support advocacy efforts and provide technical and operational support to projects in contexts where climate change is impacting vulnerable groups. MSF UK has also committed to reduce its environmental footprint.

Objectives	Completed actions in 2021
Quantify our target for carbon reduction	MSF UK has set a target for a 50 per cent reduction of our carbon emissions on our 2019 carbon emissions baseline by 2030. This target is aligned with the MSF international commitment and the Paris Accord. We have also set a short-term action to galvanise short-term activity and bring about a 10 per cent reduction in 2022.
Design a plan to achieve our target for carbon reduction	We will create this plan in 2022. In 2021, we continued work to deliver on the recommendations of the Green Audit of our London office.

## Trustees' oversight of MSF UK's work

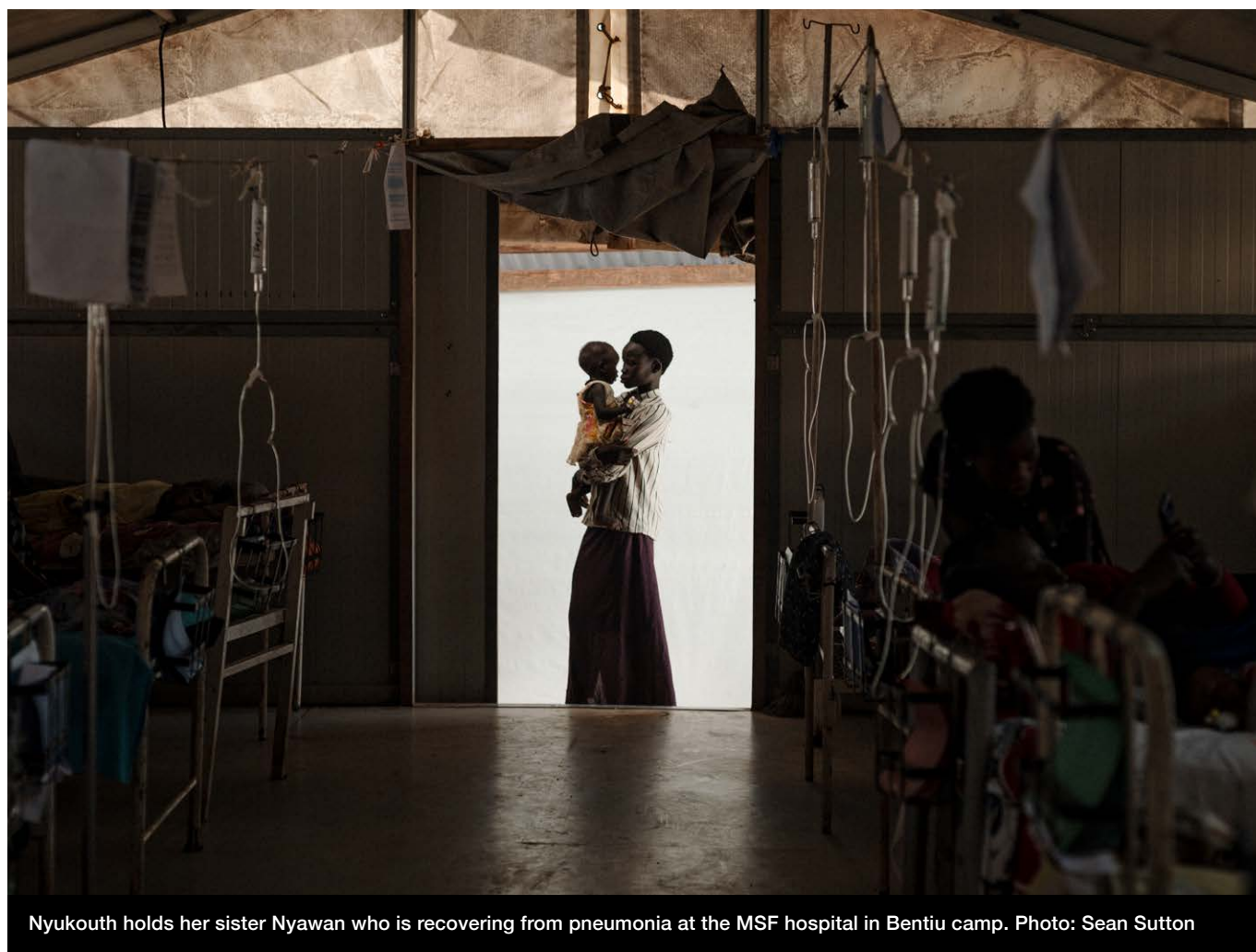
As a company limited by guarantee, MSF UK is required to report on how the Trustees have discharged their duty to promote the best interests of MSF UK and have considered the matters set out in section 172(1)(a)-(f) of the Companies Act 2006:

- The likely long-term consequences of any decision.
- The interests of employees.
- Fostering relationships with key stakeholders.
- The impact of operations on our communities and environment.
- Maintenance of our reputation for the highest standards of conduct.
- The need to act fairly as between members of the company.

### Our stakeholders

MSF UK's Trustees recognise that MSF UK can only achieve its charitable purpose thanks to the relationships we maintain with our stakeholders. Given the nature of charitable work, our stakeholder groups are well established and remain constant. Our aspirations for these relationships are set out in the Igniting Change pillar of the Strategic Direction (as described earlier in this section).

The following table sets out our key stakeholder groups, the key considerations of each group, and how we engage with them. Trustee discussions consider the potential impact of decisions on each stakeholder group, as well as their needs and concerns.



Nyukouth holds her sister Nyawan who is recovering from pneumonia at the MSF hospital in Bentiu camp. Photo: Sean Sutton



Key stakeholder group	Key considerations	How we engage with them
Patients and communities	<p>Providing medical humanitarian support to those most in need.</p> <p>Ensuring that as much of our resources as possible are used for the benefit of this group.</p>	<p>The grants we provide and the staff we second to our operational partners.</p> <p>The technical assistance we provide to our operational partners through the Manson Unit.</p>
MSF movement partners	<p>Our shared values and goals bind the MSF movement together and are a key part of MSF UK's identity.</p>	<p>UK representation in the Operational Centre Amsterdam (OCA) Management Team.</p> <p>Membership of Associative and Executive platforms.</p> <p>Participation in movement-wide discourse facilitated through internal websites and grassroots discussion fora.</p>
MSF UK Association	<p>Arbiters and guardians of MSF identity for MSF UK.</p> <p>Developing and maintaining relationship and interest in the charitable purpose of the MSF movement as potential future staff and Trustees.</p>	<p>The MSF UK Association website.</p> <p>Regular mailings and direct communications on topical issues.</p> <p>Regular events, for example webinars, briefings and networking events.</p> <p>Annual General Meetings.</p> <p>Facilitation of social media spaces.</p>
Donors and supporters	<p>Understanding the impact of donations through insights into our medical humanitarian work.</p> <p>Developing and maintaining relationships and their interest in the MSF movement.</p>	<p>The MSF UK website.</p> <p>Regular newsletters and direct communications.</p> <p>MSF UK events.</p> <p>Direct engagement with members of the Fundraising Department.</p>
Employees	<p>Training and development.</p> <p>Diversity, equity and inclusion.</p> <p>Wellbeing and support.</p>	<p>News, support and policies provided through an intranet portal.</p> <p>Weekly all-staff meetings.</p> <p>A broad range of learning and development opportunities available to employees.</p> <p>Two surveys on the topics of Total Reward and COVID-19.</p> <p>Feedback and implementation of positive change through the staff groups.</p>
Regulators	<p>Maintaining governance procedures to ensure compliance with all applicable regulatory regimes.</p>	<p>Timely submission of all necessary filings and returns.</p> <p>Self-reporting and engagement, where appropriate.</p> <p>Prompt and comprehensive responses to requests for information, as required.</p>

## Key decisions

In making key decisions concerning the strategy and activities of MSF UK over the course of the year, the Trustees considered the wider interests of our stakeholders and the wider factors set out in section 172 of the Companies Act 2006, listed above.

Key considerations included:

- Day-to-day decisions below the financial threshold set out in the MSF UK Scheme of Delegation are delegated to the Executive Director. High-value key projects and new initiatives are considered and, if appropriate, approved by the Board with regard to:
  - » the use of charitable funds;
  - » assessment against charitable purpose; and
  - » compliance with the Charity Commission’s regulatory requirements and, where appropriate, the Fundraising Regulator and Information Commissioner’s Office.
- The long-term impact on the future direction and success of the organisation as a result of the 2020–2023 Strategic Direction.
- The ability to maintain core functional work while continuing to make progress on our strategic goals, monitored through quarterly reporting against annual plans and bi-annual reporting against key performance indicators.
- The potential impact of delays on the delivery of strategic priorities.

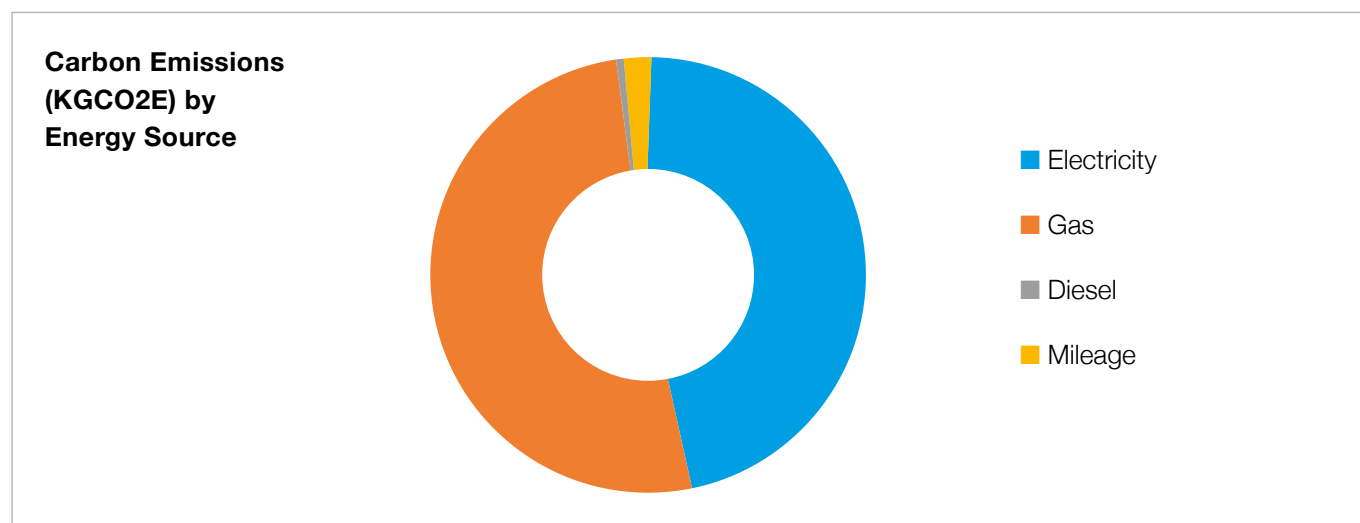
The table below sets out the key decisions taken in 2021.

Topic	Decision	Key considerations
Mental health services for refugees and asylum seekers in the UK	A small-scale medical humanitarian response was approved by Trustees.	<p>The primary principle for engagement, to provide support to vulnerable and marginalised groups, is aligned with MSF UK’s Charitable Purpose. Activities would be directed by our operational partner, OCA and limited in scope, duration and budget.</p> <p>Activities would cause little or no disruption to our support for existing projects.</p> <p>The MSF UK association has been active concerning support of migrants and asylum seekers through the Take Action Group.</p>
Full funding of the LEAP programme in Humanitarian Practice	A programme providing access to tertiary education for MSF staff in partnership with the University of Manchester and Liverpool School of Tropical Medicine.	<p>An increased proportion of locally hired MSF staff members will have access to the programme.</p> <p>Longer-term aim of improving critical thinking in operational decision making will positively impact staff, patients and communities.</p> <p>Ensure that the positive impact created across all staff groups and our international medical humanitarian projects will be clearly articulated and monitored.</p>
Remuneration review	A project to review the organisation’s rewards package in the context of the organisational values, job grading structure and benchmarking within the sector.	<p>The organisation’s size and structure have grown considerably, and the grading structure and level of reward have not kept pace, which may have a negative impact on staff and may have led to inequities.</p> <p>The intent of our donors is to give towards our charitable purpose, and this must inform our rewards principles.</p> <p>There has been a lack of understanding of the tangible/intangible value of rewards, and this project will address that with staff.</p>

## Sustainability and carbon reporting

MSF UK reports energy and carbon emissions in compliance with the Companies (Director's Report) and Limited Liability Partnerships (Energy and Carbon Reporting) Regulations 2018. MSF UK was required to report on carbon consumption for the first time in 2020. A comparison between 2020 and 2021 figures can be found in the table below.

Energy source	Units	Consumption		Carbon emissions (kgCO <sub>2</sub> e)		Intensity ratio FTE (kgCO <sub>2</sub> e/FTE)	
		2020	2021	2020	2021	2020	2021
Electricity	kWh	149,979	163,537	34,966	34,724	179	177
Natural gas	kWh	133,559	210,968	24,558	38,641	126	197
Business travel – diesel	Litres	151	69	385	158	2	1
Business travel – mileage	Miles	1,469	4,530	367	1,157	2	6
<b>TOTAL</b>				<b>60,276</b>	<b>74,680</b>	<b>309</b>	<b>381</b>





## Methodologies and estimates

MSF UK accounts for the energy consumed in its London office space plus for a portion of the communal areas in the building at 10 Funnival Street. Gas is supplied to the whole building and MSF UK pays for a percentage of the gas consumption of the building in line with the percentage of the office space that it occupies.

Energy and fuel consumption has been converted to carbon emissions (kgCO<sub>2</sub>e) using the UK Government GHG Conversion Factors for Company Reporting 2021. The conversion factor for UK electricity decreased in 2021 resulting in a decrease in the carbon emissions reported for the year, although consumption increased. Applying the revised 2021 conversion factor to 2020 consumption, the restated comparative carbon emissions for 2020 would be 31,845 (2021: 34,724), and the restated intensity ratio for 2020 would be 172 (2021: 177).

During 2021, staff drove a Land Cruiser 260 miles from the Imperial War Museum in London to Micheldever, in Hampshire. The Land Cruiser is a decommissioned ambulance which features in MSF exhibitions and is stored in Micheldever. MSF staff also expensed fuel and mileage to support the Napier Barracks asylum seekers project in the UK.

## Measures taken to increase energy efficiency

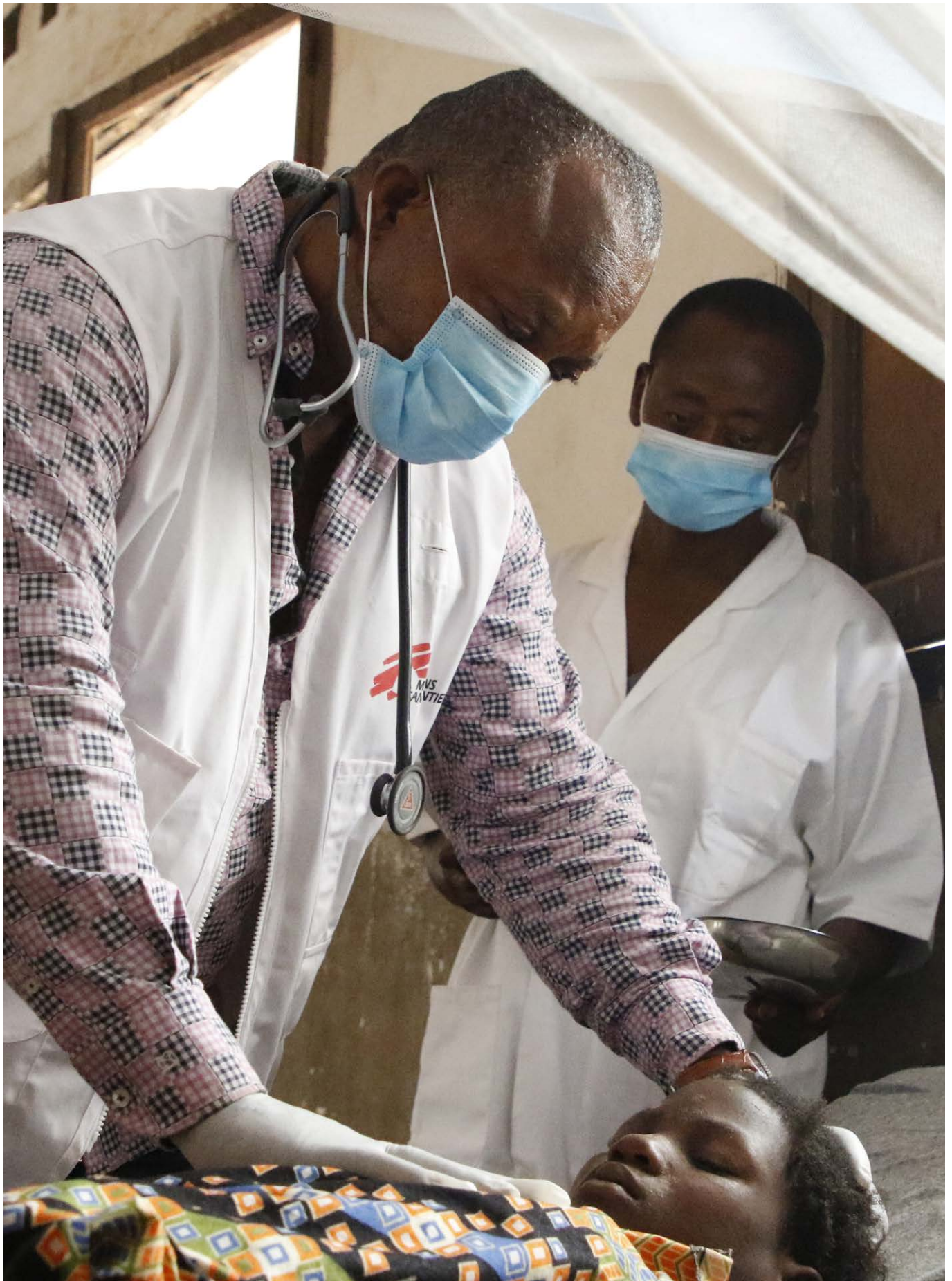
MSF UK is continuing to make changes to improve its carbon footprint. The MSF movement, of which MSF UK is a member, has committed to a 50 per cent reduction in carbon emissions by 2030, against a 2019 baseline. Additionally, MSF UK has set a carbon reduction target of 10 per cent against its 2019 baseline as part of its annual plans for 2022. This baseline will include electricity and gas for both MSF UK & IE. Additionally, the baseline will include international travel which is not conveyed in the Streamlined Energy & Carbon Reporting (SECR) data above.

Despite the challenges COVID-19 has brought to working in the office, MSF has made sustainable improvements to its office by moving to eco-friendly cleaning supplies and switching to LED lighting and recycled paper where possible.



MSF health promoter Lazare informs the population of Popokabaka about the outbreak of typhoid fever, its symptoms and how to prevent it. Photo: Franck Ngonga





MSF emergency team doctor examines a child with measles at the Bosobolo general referral hospital.  
Photo: Franck Ngonga/MSF

# 5 MSF UK's plans for 2022

The emergence of the COVID-19 Omicron variant of concern in late 2021 is a timely reminder that uncertainty and sub-optimal working conditions will continue into 2022. The start of this year marks the half-way point in the current Strategic Direction and is therefore a key moment in evaluating the level of ambition in relation to our strategic change agenda in this period, which does come into tension with the delivery of our core functions, as identified in our risk register, discussed in section 7.

Our aspirations remain aligned with the pillars of the 2020–2023 Strategic Direction. The table below sets out an overview of our plans.

Strategic objective	Plans for 2022
<p><b>Valuing people</b></p> <p>Be an organisation that values staff and ensures that all those who work with and for us – whether in the UK or in MSF’s projects – feel this value in their working lives and are treated with fairness and respect</p>	<p>In Q1 2022, we will deliver our action plan in response to the EDI audit conducted by consultants in 2020-21. This action plan will allow us to reaffirm and nuance our vision for diversity, equity and inclusion within MSF UK and to contextualise and clearly prioritise planned activities that support delivery of this vision, and plan additional activities where there are gaps.</p> <p>We will continue to maintain our focus on safeguarding our staff and the communities with whom we work, with an emphasis in 2022 on supporting OCA and the wider MSF movement.</p> <p>We will support and improve staff health, safety and wellbeing and will facilitate flexible and collaborative ways of working through a review of HR policy and procedure. This includes supporting staff to work at home as we navigate the continued requirement for increased home working.</p> <p>We will continue to support our office as a community and raise awareness of wellbeing through events and activities. These will support changes in our ways of working, with a focus on understanding our strengths and differences and bolstering the social cohesion of our office community in a virtual space.</p> <p>We will undertake work to evaluate the suitability of our remuneration policies and implement required changes as appropriate.</p>
<p><b>Igniting change</b></p> <p>MSF UK/IE supporter groups are actively involved in and contribute to a range of advocacy and activist-style initiatives, which will enable MSF to speak out with a greater voice and successfully effect changes in policy and public opinion that impact the people we assist</p>	<p>There will be a focus on two major issues.</p> <ol style="list-style-type: none"> <li>1) We will continue our work to push back against the harmful anti-migration policies contained in the UK government’s Nationality and Borders Bill.</li> <li>2) We will use communications to support the impact of the TB PRACTECAL trial.</li> </ol> <p>Our communications and medical teams will explore how to increase the impact and diversity of our communications on health and medical themes to drive positive change on behalf of the people we assist.</p>



Strategic objective	Plans for 2022
<p><b>Ways of working</b></p> <p>Continuously make improvements through a programme of changes to create new, more effective and more efficient ways of working</p>	<p>Our cybersecurity systems, policy and processes will be re-audited following improvement work identified by the 2018 cybersecurity audit. Additionally, we will focus on awareness-raising for all UK staff, beginning with new starters.</p> <p>Our new core finance system will go live in Q1 2022, ensuring we are using technological tools that are fit for the future and provide useful information for internal and external reporting. We will also begin the implementation of our new vision, strategy and operating model for procurement.</p> <p>We will identify organisational needs for the physical and virtual workplace and enact changes to the physical office as well as policy and practice to facilitate the best working environment for staff, taking account of health, safety, wellbeing and effectiveness.</p>
<p><b>Climate crisis and global health</b></p> <p>Act as a convener on the climate crisis and global health within MSF, developing knowledge, skills and innovative approaches on behalf of the movement, while reducing our own environmental footprint</p>	<p>In 2022, we will implement a more complete carbon measurement tool, which will include accounting for staff travel for the purpose of UK-directed activities.</p> <p>We will aim to reduce carbon emissions by 10 per cent based on our 2019 baseline, and create a longer-term action plan to guide achievement of our longer-term carbon reduction target of 50 per cent by 2030.</p>

In 2022, we will continue to deliver our core functional work to provide resources and direct support to the MSF movement’s medical humanitarian programmes. Key activities are outlined in the following table. Additionally, outside the UK we will work with the MSF movement to make our decision-making and governance structures closer to the places where we provide medical humanitarian assistance, and to address issues of workforce injustice and inequity. Tangibly, in 2022, we will continue our support to emerging MSF entities such as MSF West and Central Africa (WACA) in an advisory capacity on issues of governance and safeguarding.



An MSF team comprising of medical staff travel from Koya to Dilli, Jebel Marra region, South Darfur. Photo: Anna Bylund

## Ongoing work to deliver core functional priorities:

Objective	MSF UK plans
<p>Providing resources for programmes</p>	<p>In 2022, our fundraising income target is £62.7 million; this is further elaborated in a 2022 budget paper that was approved by the Board.</p> <p>In fundraising, data capabilities will be enhanced, building on the new fundraising database. Data integration will be a major focus.</p> <p>We will undertake a comprehensive strategic review of face-to-face fundraising activity with the goal of increasing results and capacity, while ensuring the welfare of the team.</p> <p>Our target for the departures of staff supplied to operational activities is 135 departures, including 34 staff being deployed for the first time. The operational programme HR team also plan to implement pre-departure mental health support and improve the provision of learning and development opportunities for internationally mobile staff.</p> <p>LEAP 2, our postgraduate education partnership with the Universities of Manchester and Liverpool, launches in 2022. There will be strong attention to teaching delivery methods and, learning from the challenges experienced during the switch to a fully virtual programme, we will include improved support mechanisms for students. An additional Full Time Equivalent (FTE) role will focus on harmonising terms and conditions for LEAP students from across MSF's operational centres. Reporting from the university partners will be strengthened and we will also work to increase the numbers of external students.</p>
<p>Direct support for programmes</p>	<p>Roll-out of TB PRACTECAL treatment regime in trial countries and influence WHO guidelines on MDR-TB.</p> <p>Scale-up of integrated community-based models of care for chronic diseases, including HIV, TB, hepatitis and non-communicable diseases.</p> <p>Development and launch of an offline solution for routine medical data collection and management in missions where there is no internet solution.</p> <p>Participatory approaches to address child protection and safeguarding in MSF projects.</p> <p>Support implementation of antimicrobial resistance (AMR) objectives in OCA's operational portfolio; represent MSF's work and positioning on the threat of AMR in UK policy circles; promote MSF intersectional collaboration on AMR initiatives.</p> <p>Ongoing development of OCA Public Health Department and UK strategic engagements and operations regarding the impacts of climate change and environmental degradation on health.</p> <p>Expand and consolidate the network in the UK through strategic and policy engagement with relevant stakeholders on Access Campaign priorities.</p>

# 6 For the public benefit

## MSF's purpose

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The principal objectives of MSF UK, as stated in its Articles of Association, is as follows:

**The Company's objectives are to relieve suffering, promote the relief of sickness and provide medical aid to the injured, and to protect and preserve good health by the provision of medical supplies, personnel and procedures calculated to overcome disease, injury or malnutrition in any part of the world.**

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit and are satisfied that the charity's activities, grants and plans accord with this guidance.

## MSF UK's contribution to the MSF movement

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MSF UK is a primary partner of OCA, one of the five operational centres responsible for the delivery of MSF's medical humanitarian projects. OCA is a coordination body made up of five section offices (MSF UK, MSF Holland, MSF Sweden, MSF Canada and MSF Germany) and two branch offices (MSF Ireland and MSF India). The operations of OCA are hosted by MSF Holland, a separate legal entity with its own board of trustees. This means that the tangible elements of OCA's medical humanitarian work and activities sit within the MSF Holland legal entity, which receives all OCA funding and directly manages all OCA projects and programmes.

In 2021, MSF UK made grants to MSF Holland (in its role as host of OCA), to MSF Belgium, which hosts Operational Centre Brussels (OCB), and to MSF France, which hosts Operational Centre Paris (OCP). OCA, OCB and OCP used these funds to implement and continue medical humanitarian projects and support social mission costs at OCA. The UK Board of Trustees receives regular reports on the projects that are funded by MSF UK through participation in the OCA Council and OCB Board, and through project visits and accounts from returning UK project staff. This rigorous process of information sharing supports MSF UK's Trustees in fulfilling their regulatory reporting requirements.

MSF UK made grants to MSF International, which is based within Operational Centre Geneva, and to the Access to Medicines Campaign (known as the Access Campaign), an international project within MSF that supports MSF's work by advocating for improved access to treatment and the development of essential medicines. Grants were also made to the Drugs for Neglected Diseases initiative (DNDi), a collaborative initiative for patient-centred drug development and access.

Executive Director Vickie Hawkins is a member of the OCA Management Team. Chiara Lepora, Head of the Manson Unit, is the Deputy Medical Director for OCA and has a seat on OCA's Operational Platform, which is the key advisory platform to the OCA Operational Director.

During 2021, other members of the MSF UK Management Team also participated in functional platforms across OCA and the MSF movement, including Donald Campbell, Head of Communications, and James Kliffen, Head of Fundraising.

MSF UK is an institutional member of MSF International, which has a key coordination role within the MSF movement.



## Non-operational grants made during the year

In 2021, MSF UK granted £0.9 million (2020: £0.9 million) to MSF International, as a contribution to its coordination work, and £0.4 million (2020: £0.4 million) to the Access Campaign and DNDi. The calculations for the amounts granted to MSF International, the Access Campaign and DNDi were based on a pre-approved international allocation. These grants are a condition of MSF UK's membership of the MSF movement, and the Trustees are satisfied that they are in the best interest of the charity.

## Benchmarks and performance measuring

MSF UK is pleased that during 2021 we were able to commit 87 per cent of our total expenditure to grants and charitable activities (2020: 88 per cent).

MSF UK and the MSF movement always strive to make the best possible use of donated funds. We ensure that the maximum possible percentage of funds is used for the direct provision of medical care and, more broadly, for our social mission. In each country where MSF works, we ensure that our projects are focused on helping the most vulnerable and most in need. We continually review the impact of our work through both in-country monitoring systems and the advice and support of headquarters-based specialist advisors.

Medical humanitarian projects are complex, and no single set of performance measures will suit every situation. For example, a sudden emergency will demand a rapid and relatively costly response by our medical and logistics teams, while a long-term project can be more carefully planned and resourced to maximise the effectiveness of its budget and staff. Preventive measures, such as improving water supplies and sanitation systems or implementing a vaccination campaign, are often prioritised, as these can help avoid less effective, more costly responses once a disease outbreak is underway.

MSF International compiles and analyses data from across the MSF movement. Audited data for 2021 were not yet available at the time of writing this report. However, the 2020 International Financial Report shows that, out of a total global expenditure of €1.7 billion, 80 per cent was spent on our social mission, 15 per cent on fundraising and five per cent on management and administration.



Rescued people are transferred by MSF teams to rigid-hull inflatable boats. Photo: Pablo Garrigos



An MSF car boards the raft to cross the Uélé River in the health zone of Bondo. Photo: Pacom Bagula



# 7 Principal risks & uncertainties

MSF UK maintains a risk register, which is a live document showing the key risks facing the charity at any given time. All staff are responsible for identifying new or changing risks in their area, and each risk is owned by a member of the Management Team who has oversight of the mitigation of that risk. All risks are formally reviewed twice a year by the Management Team, the Audit and Risk Committee, the Safeguarding and Duty of Care Committee and the Board of Trustees. Risks are rated according to their probable occurrence and their potential impact on the charity. Each year, the Board of Trustees defines the charity's risk appetite. The top priority risks for MSF UK, from a mitigation perspective, are identified and approved, with increased focus given to them. Policies and strategies are adopted to manage, mitigate and avoid identified risks.

## Risk management in 2021

At the beginning of 2021, MSF UK prioritised seven risks to focus further action. During the course of the year, we assessed that sufficient progress had been made on the actions identified to address the risks relating to loss of institutional memory and our use of consultants, contractors and the self-employed, so that these could be deprioritised at the end of the 2021. Additionally, we decided to deprioritise the risk we identified relating to the potential economic impact of COVID-19 and Brexit on our fundraising activities at the end of 2021. While we continue to monitor these issues, no specific risk has crystallised in respect of our fundraising activities at this time.

Priority risks	Management actions
Poor fundraising returns due to UK economy (including COVID-19 and concerns over Brexit)	Existing fundraising model proved resilient in the face of both COVID-19 and Brexit, with the diversity of income providing protection during periods of instability.
MSF UK's fundraising model becomes ineffective	Developments in fundraising regulation were monitored closely with changes implemented as necessary to ensure our approach was consistent. Greater investment was made in integrated campaigns focusing on maximising opportunities for digital and broadcast media.
Breach of duty of care to patients and the communities with whom we work, including safeguarding	Safeguarding Lead now embedded within OCA to support safeguarding activity. Enhanced Disclosure and Barring Service Checks now in place for all staff travelling to projects and programmes if they work unsupervised with vulnerable adults. Critical incident training refreshed.
Failure to meet expected standards regarding diversity, equity and inclusion	DEI strategy and action plan was developed for implementation in 2022. External research was commissioned to explore inequalities.



Priority risks	Management actions
Use of consultants, contractors and the self-employed	Work was completed to understand the scale of use of consultants, contractors and the self-employed within MSF UK and action identified to address tax implications.
Loss of institutional memory	New information management architecture for MSF UK policies was drafted. Review of policies previously contained in the Employee Handbook is progressing.
Failure to set and meet appropriate standards regarding environmental impact and climate change	Environmental impact strategy and action plan was developed and proposed to the Board. Further work was commissioned by the Board to develop the plan.

## Emerging risk

MSF UK’s operational partner organisations are working to deliver emergency medical aid to people affected by the war in Ukraine; both those who remain in the country and those seeking safety in neighbouring countries. We have undertaken a risk assessment of MSF UK’s activities in support of this emergency response. This included assessing our existing controls and identifying further risk responses, which are currently being put into effect to ensure that we manage this heightened risk effectively.

Having assessed the potential impacts, we do not consider there to be any additional wider risk to MSF UK or delivery of our charitable objective.

## Going concern

The Trustees consider that the level of ongoing support from committed donors, combined with the unrestricted reserves, secure MSF UK for the foreseeable future and, on this basis, consider that the charity is a going concern. The Board have reflected on the charity’s operational and financial risks and have concluded that there are no material uncertainties relating to MSF UK’s ability to continue as a going concern.



MSF staff measure a baby as part of a consultation in the Al Nasim clinic, Al Geneina. Photo: Dalila Mahdawi



Physician, Nazario Jaime, is seen during a consultation with a patient living in the Nicuapa site in Cabo Delgado province. The camp is now home to internally displaced people who have been forced to flee fighting in Mozambique's northern most province. Photo: Tadeu Andre



# 8 Structure, governance & management

## Constitution

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MSF UK is a charitable company limited by the guarantee of its members and governed by its Articles of Association. MSF UK is part of an international movement of independent legal entities, commonly referred to as MSF, which are bound by their shared name and identity, and a shared commitment to the MSF Charter and its principles.

## The MSF Association

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The MSF UK Association describes the company law members of MSF UK. It draws its membership from current and former project staff, and former office staff and office volunteers who can apply to become members of the Association after they have worked for six months with any part of the MSF movement. At the end of 2021, the Association had 582 members.

Members of the Association commit to ensuring that MSF UK maintains its focus on the effective delivery of medical care, in accordance with MSF's core principles and the values of medical ethics, independence, impartiality, neutrality, accountability and *témoignage* (speaking out). They fulfil this commitment primarily through the election of, and by holding to account, the Board of Trustees at the Annual General Meeting of the charity.

## The Board of Trustees

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Association members delegate governance responsibilities to the Board of Trustees. The Board of Trustees ensures that MSF UK adheres to MSF's core principles and values and conducts its business in an effective and efficient manner, with due care and accountability, responsible management of resources, and in compliance with all legal and regulatory requirements.

The majority of Trustees have a medical background, but Trustees with different backgrounds are also frequently elected. While most Trustees are elected at the Annual General Meeting, no more than half and up to seven Trustees may be co-opted by the Board from within or from outside the Association to ensure it maintains an appropriate mix of skills and experience.

The Chair of the Board, Nicola McLean, has a medical background, in line with MSF's governance principles. She is assisted by a Vice-Chair to the Board. In 2021, the Board met 12 times.

Each Trustee holds office for three years, after which they may stand for re-election or be considered again for co-option, for a total mandate not exceeding six years. Newly appointed Trustees are offered internal and external training on Trustee responsibilities.

The Board regularly assesses its ability to work as a team. It conducts annual skills reviews and actively considers its composition before and after the election of new Trustees. During the year, the Board regularly considers the make-up of its committees and the split of responsibilities between members.

Trustees participate in Board sub-committees alongside relevant MSF UK staff members, in order to advise the Board on specific matters.



The Audit and Risk Committee is tasked with guiding the Board on issues relating to control, risk and compliance, and is focused on business and finance processes. The Committee is composed of four Trustees and met five times in 2021.

The Safeguarding and Duty of Care Committee oversees the governance of our medical humanitarian project work, with a focus on safeguarding. The Committee is composed of four Trustees and met four times in 2021.

The Remuneration Committee makes recommendations to the Board on the annual remuneration package for the Executive Director and the Chair, fair application of the reward policy and principles for MSF UK staff, and any adjustments to the MSF UK staff pay structure. The Committee is composed of three Trustees and met twice in 2021.

The Motions Committee supports the AGM motions process and facilitates feedback mechanisms allowing Association members to follow the progression of passed motions. The Committee is composed of two Trustees and met five times in 2021.

The Nominations Committee ensures that the Trustee recruitment, performance review and learning and development approaches are formal, rigorous, transparent, objective and fair. They also oversee the Board's composition to ensure there is an appropriate balance of lived experience, knowledge and skills on the Board to govern effectively and efficiently. The Committee is composed of four Trustees and met eight times in 2021.

Many Trustees also act as 'Board links' to designated departments, including the Fundraising and HR Departments and the Manson Unit. As links, Trustees work closely with these teams, allowing them to effectively keep the Board updated on key areas of MSF UK's work.

## MSF UK and its relationship with the international movement

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MSF UK is one of 25 institutional MSF Associations that make up the global MSF movement. Each MSF Association is set up under the laws of the country in which it is based and is governed by its membership.

The Associations operate as legal entities that hold charitable or non-profit status in their country of residence. These, together with a small number of connected entities, such as regional associations, comprise the international MSF movement. The movement chooses not to distinguish between the work of the separate entities in public representations in order to strengthen our collective voice and influence. MSF International, based in Geneva, acts as a coordination body between MSF offices.

Representatives from national and regional associations gather annually at the International General Assembly (IGA) to oversee the coordinated action and development of the MSF movement. The IGA delegates its governance to a Board of Trustees, the International Board. The International Board is led by the MSF International President, currently Dr Christos Christou.

With the exception of limited responses to supporting COVID-19 activities in the UK in 2020 and 2021, and asylum seekers in the UK in 2021, MSF UK does not normally manage medical humanitarian projects directly. These are run by MSF's operational centres. However, we participate in the broader governance of the MSF movement in a number of ways, in particular through our close relationship with OCA.

Vickie Hawkins sits on the OCA Management Team, a body made up of senior executives from each of OCA's primary partners. It provides a forum for alignment on matters of strategic importance and to coordinate the work of OCA partners, while maintaining operational and functional reporting lines directly into MSF Holland.

MSF Ireland is an independent legal entity registered in the Republic of Ireland and governed by its own Board of Trustees. However, within the MSF movement's international coordination, MSF UK and MSF Ireland are grouped together as linked sections and branch offices. As a result, MSF UK has a close relationship with MSF Ireland, and the two offices share a joint strategic plan for the period 2020 to 2023. MSF UK Trustee Sam Turner was co-opted to the MSF Ireland Board of Trustees in 2020, and the Ireland Board Chair, Eve Bruce, was co-opted to the UK Board in April 2021.

In 2021, three MSF UK Trustees sat on the OCA Council, which has an advisory relationship to the Board of MSF Holland. Nicola McLean sat on the OCA Council for the duration of 2021. Javid Abdelmoneim sat on the OCA Council until June 2021. Vita Sanderson joined the OCA Council in October 2021.

In 2021, MSF UK Treasurer Derek Morgan sat on the OCA Audit Committee, which supports the work of the OCA Council.

Robert Verrecchia sat on the OCA Medical Committee until July 2021, when he was succeeded by Rachael Craven.

Javid Abdelmoneim sat on the OCA Duty of Care and Responsible Behaviour Committee until June 2021. He was succeeded by Vita Sanderson in October.

Nicola McLean sat on the OCA Association Standing Committee throughout the year.

Vita Sanderson sat as an observer on the OCB Board of Trustees until July 2021, when she was succeeded by Dalwardin Babu.

Nicola McLean and Aiden Berry were elected by MSF UK Association members at the AGM in June 2021 to represent MSF UK at the IGA.

## Remuneration of Trustees

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MSF UK Trustees spend significant time preparing for and attending board meetings, participating in committees and conducting project visits. Several Trustees volunteer their time on international coordination committees and sister entities within the MSF movement, for example as members of OCA committees. A key role of our Chair is to represent MSF UK at meetings of the international movement, above and beyond the work they are expected to do for MSF UK specifically.

With the exception of the Chair, who receives a monthly payment in compensation for part of their time, our Trustees are volunteers and do not receive remuneration for their governance work. The remuneration of the Chair is authorised in our Articles of Association and the principles for that remuneration were approved by the Charity Commission.

By paying the Chair for part of their time, the Board believes it can attract suitable candidates with a medical background (a requirement in the MSF movement) and with the willingness and time to take on the role. In 2021, the Chair received on average £1,865 a month for 133 days of work between 1 January and 31 December. This corresponds to a total annual payment of £22,382. The Board believes that this remuneration remains modest in light of the time the Chair commits to the organisation and the complexity of their duties and is in line with the movement's values.

## Trustees working in MSF projects

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MSF UK Trustees are permitted by the Charity Commission and the MSF UK Articles of Association to work for three months a year on standard project assignment contracts. The work Trustees conduct in such assignments is unrelated to their governance role. MSF UK greatly values the practical experience and insights our Trustees gain through working in MSF projects, in a medical role or otherwise.

No Trustees worked in MSF projects throughout 2021.

## The Management Team

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The Board of Trustees appoints the MSF UK Executive Director, currently Vickie Hawkins, who leads the Management Team. The Management Team is responsible for the implementation of strategy and the day-to-day management of the office and finances of MSF UK.

## Remuneration policy

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The policy for remuneration of UK-based staff, including senior managers, is delegated to the Remuneration Committee. At the second meeting of the Remuneration Committee in 2021, the remuneration for members of the Management Team and the annual salary adjustment for all MSF UK staff was discussed, in advance of a Board of Trustees decision. The remuneration policy contains a function grid and a fixed salary scale for office staff, which is modest. This is in keeping with a focus on maximising the use of funds for MSF's medical humanitarian projects.

In accordance with this policy, in 2021 Vickie Hawkins received an annual salary of £87,334 at the year-end (2020: £86,232). This is 3.8 times the salary of our lowest-paid office worker. Our Executive Director is the highest paid employee at MSF UK. They have significant committee responsibilities at the international level and represent MSF UK on several management committees. Five members of the Management Team received salaries between £60,000 and £70,000, and one received a salary of between £70,000 and £80,000. Vickie Hawkins was the only member of staff earning over £80,000 (see section 12, note 10).

## Related parties

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Javid Abdelmoneim sat on the OCA Council from May 2017 to June 2021. Nicola McLean sat on the OCA Council for the duration of 2021. Vita Sanderson joined the OCA Council in October 2021. The OCA Council has an advisory relationship with the Board of MSF Holland, as all tangible elements of OCA's projects and activities sit within the MSF Holland legal entity.

MSF UK granted £33.1 million to MSF Holland as part of our commitment to the OCA partnership, £15.3 million to MSF Belgium, our secondary operational partner (OCB), and £1.3 million to MSF International (including to the Access Campaign and DNDi). All grants to operational centres, including MSF Holland and MSF Belgium, were approved by the MSF UK Board of Trustees. The grant to MSF International is based on a pre-approved international allocation and is approved by the Trustees. The Trustees are satisfied that these grants are in the best interests of the charity.

See sections above on remuneration of Trustees and Trustees working in MSF projects and note 8 of the financial statements in section 12. The Trustees do not consider that any other person or organisation can be regarded as a related party.

## Engagement with and interests of our employees

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The Trustees are satisfied that the employees of MSF UK have been fully engaged with and their interests accounted for in the decisions that have been made. MSF UK is grounded in a culture of consultation, which encourages employee involvement and lively, open discourse. The majority of board meetings are held in open session. All staff are invited and there are opportunities for them to raise questions.

Trustees scrutinise MSF UK's annual staff surveys and challenge the Management Team to produce action plans that respond appropriately to staff concerns that are identified. In 2021, this included two surveys focused on gauging staff wellbeing amid the changing circumstances caused by COVID-19, as well as Total Reward Principles. MSF UK, with the full support of the Trustees, encourages space for grassroots employee initiatives to thrive, including working groups addressing our London office space, climate-related initiatives, and diversity, equity and inclusion.



## MSF International

MSF International is a Swiss non-profit entity, which acts as a hub and provides coordination, information and support to MSF's operational centres and individual MSF entities. It hosts the IGA, the International Board, the Executive Committee and the International Office.

The International Office is headed by the Secretary General, who manages a team of international coordinators. Together they facilitate coordination and information-sharing across the MSF movement to identify medical humanitarian issues that must be tackled together; support MSF's response to major emergencies; and help develop public positioning around humanitarian crises and common policies on the best use of resources for medical humanitarian action.

An important part of MSF International's role is the compilation and publication of reports, which provide an overview of the MSF movement. The International Activity Report is a public accountability document detailing MSF's movement-wide activities, including a comprehensive overview of MSF's projects around the world and the most significant issues we face when delivering medical humanitarian aid. It gives an overview of MSF's work and provides transparency and accountability to our stakeholders. Alongside this, the International Financial Report provides an overview of the cost of our medical humanitarian work and how we earned the money that funded this.

The International Activity Report and International Finance Report are published on the MSF International website ([www.msf.org](http://www.msf.org)). Printed copies are available on request through the MSF UK office.



MSF health promoters Joseph and April raise awareness about Lassa fever in Abakaliki, Ebonyi State, Nigeria. Photo: Hussein Amri



A happy father lovingly holding his twin daughters Heba and Malath who are under treatment at special care baby unit supported by MSF at Al Jamhuri hospital in Taiz City, Yemen. Photo: Nasir Ghafoor/MSF



## Preparation of accounts on a going concern basis

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The Trustees consider that the level of ongoing support from committed donors, combined with the unrestricted reserves, secure MSF UK for the foreseeable future and, on this basis, consider that the charity is a going concern. The Board have reflected on the charity's operational and financial risk and have concluded that there are no material uncertainties relating to MSF UK's ability to continue as a going concern.

## Significant events in 2021

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### Overview

In 2021, MSF UK's income totalled £68.0 million, a £4.7 million (6 per cent) decrease on our 2020 income of £72.7 million. Of this, 93 per cent (2020: 94 per cent) came from donations and legacies, with the rest coming mostly from charitable activities.

In terms of expenditure, MSF UK spent £71.9 million in 2021 (2020: £69.4 million), resulting in a planned deficit of £3.9m (2020: surplus of £3.3m). Of our total expenditure, £49.9 million or 69 per cent (2020: £49.2 million or 71 per cent) was given as grants to other MSF sections, with £48.6 million (2020: £47.9 million) going directly to MSF projects and social mission overseas. Excluding grants, MSF UK's other charitable activities came to £12.4 million (2020: £11.8 million) and its fundraising activities cost £9.6 million (2020: £8.4 million).

### Fundraising income and costs of generating funds

MSF UK raised £63.5 million in donations and legacies in 2021 compared to £68.2 million in 2020. This was a £4.7 million (seven per cent) decrease in income and is mainly attributable to the reduction in legacy income of £7.4 million. Legacy income remains one of our largest sources of income, but it is inherently unpredictable on a year-by-year basis. We are however aware of potential future legacy income of £13.2 million (2020: £9.1 million), which does not currently meet the conditions for income recognition under our accounting policies.

The decrease in legacy income is partly offset by the continuing success of our fundraising results in committed giving. As in previous years, committed giving is our most significant source of income at £22.5 million, an increase of £1.5 million or seven per cent over 2020. Regular giving by direct debit and standing order is the bedrock of MSF's financial independence. It provides a consistent flow of largely unrestricted funds that we can allocate where the medical needs are most acute, including in countries receiving little or no media attention at the time. We are very grateful to our loyal, long-term, committed donors for this level of support, which recognises the leading role MSF plays in relieving suffering and in raising public awareness of crises.

We also raised £14.1 million in appeals in 2021, which is in line with our extraordinary results in 2020 (£14.2 million). We had particular success with our year end Afghan Crisis Appeal, which we ran in close collaboration with OCB, and the outcome resonated strongly with our supporters.



In 2021, 84 per cent of our fundraising income was unrestricted (2020: 85 per cent). Unrestricted income is especially valuable to MSF as it provides the flexibility to deliver aid where the medical need is greatest. Of the £10.2 million restricted fundraising income raised in 2021, £3.5 million was restricted to projects in Afghanistan and £2.2 million to projects in Yemen. See note 15 of the accounts in section 12.

Our fundraising costs in 2021 increased by £1.2m (14 per cent) to £9.6 million. This increase was due to a planned step change in our investment strategy for campaigns, most particularly broadcast media and digital, given their proven scalability and effectiveness. The shift in strategy has enabled more sustained integration between fundraising channels throughout 2021 and is something that will be built on in future years.

The decrease in our fundraising income combined with the increase in fundraising costs has resulted in our return on investment decreasing from 8.1:1 in 2020 to 6.6:1 in 2021. This means that for every £1 spent on fundraising, we raised £6.60 (2020: £8.11). Note that if we exclude legacy income due to its year-on-year unpredictability, the return on investment is 5.3:1 in 2021 compared to 5.8:1 in 2020. This shows that most of the difference in our return on investment between the years is due to legacy income.

### Charitable activities: grant-making

In 2021, MSF UK granted £49.9 million to other MSF sections, with £48.6 million (2020: £47.9 million) going directly to MSF's overseas projects and social mission.

Our largest grants in 2021 went to Mozambique (£7.8 million), South Africa (£4.3 million), South Sudan (£3.9 million), Afghanistan (£3.8 million) and Democratic Republic of Congo (£3.6 million). More details of these grants can be found in note 6 of the accounts in section 12. See section 2 for more details of MSF activities in these countries.

In addition to grants for our overseas projects and social mission, we also gave grants to MSF International for coordination and movement-wide projects.

### Other charitable activities

Spending on non-grant making charitable activities increased by five per cent to £12.4 million (2020: £11.8 million), mostly due to an increase in medical and programme support. We recruited new positions that would directly support our programmes, including in relation to OCA's health information system as part of its transition from a project to business as usual.

We invoice the direct cost of overseas project staff and certain projects to other MSF sections with no uplift. We also receive grants from other MSF sections for organisational transformational initiatives, including the LEAP programme and the Misinformation project (see pages 17 and 13) respectively). This is accounted for in our financial statements as income from charitable activities, making up £4.5 million in 2021 (2020: £4.2 million). See note 4 of the accounts in section 12.

## Reserves

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### General and free reserves

The policy approved by the Trustees is to maintain general reserves at an equivalent of three months of that year's budgeted non-grant expenditure. The Trustees believe that this level of reserves is adequate given that around 70% of the charity's expenditure is in the form of grants, and the grant amounts are only confirmed at the end of the year once we have clarity over our financial results.

In 2021, the MSF UK final reforecast for non-grant expenditure was £17.9 million (2020: £17.1 million). General reserves as of 31 December 2021 stood at £5.0 million (2020: £4.5 million). This is equivalent to 3.4 months' budgeted expenditure, largely in line with our policy.

Our free reserves are calculated using our general reserves less fixed assets and currently stand at £3.8 million or 2.6 months' office expenditure (2020: £3.8 million or 2.7 months). To mitigate any risk to our free reserves, Trustees have designated a capital fund relating to large investments in IT systems (see section below).

### Designated reserves

The MSF UK Board of Trustees have designated funds for the following purposes:

- Accrued legacy income to be applied to operational programmes upon receipt. This is an existing fund carried forward each year.
- Capital fund being the actual and budgeted capital costs for the implementation of our new CRM and finance systems respectively. Amortisation for the new CRM system has been charged to this fund since it went live in mid-2020. Amortisation for the new finance systems will also be charged to this fund from the go-live date in 2022. The Board approved an increase in the capital fund due to an increase in the budgeted capital costs for the new finance systems.
- Designated matched funding for the Afghan Crisis Appeal. This has been expensed in 2021.

Note that the Board approved a release in 2021 of the carried forward designated fund for global workforce development. This was due to the approval for the next phase of the LEAP project (see page 28).

### Restricted reserve

This reserve represents donations where the donor has specified the project or emergency to which MSF UK should apply the funds. In 2021, we gave out in grants almost all the restricted income received during the year.

# 10 Statement of Trustees' responsibilities

Company law requires the Trustees to prepare financial statements for each financial year in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law).

Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose, with reasonable accuracy, at any time the financial position of the charity, and that enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the UK governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

## Disclosure of information to auditors

The Trustees who held office at the date of approval of this report confirm that, so far as they are aware, there is no relevant audit information of which the charity's auditors are unaware. Each Trustee has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

## Auditors

BDO LLP were appointed as the charity's auditors for the year ended 31 December 2021. BDO have expressed their willingness to continue in office. A resolution to reappoint them will be proposed at the Annual General Meeting.

The Trustees' Annual Report, including the Strategic Report and the Directors' Report, was approved by the Trustees on 26 April 2022 and signed on their behalf by

*N. McLean*

Nicola McLean

Chair of the Board of Trustees





Pharmacy supervisor Faiz and storekeeper Mohammad at work at the MSF medical warehouse in Al-Qanawis, Hodeidah, Yemen, where MSF supports a mother and child hospital. Photo: Nasir Ghafoor

# 11 Independent Auditor's Report to Members and Trustees of Médecins Sans Frontières (UK)

## Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 December 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of MSF UK ("the Charitable Company") for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the cash flow statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We remain independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

## Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

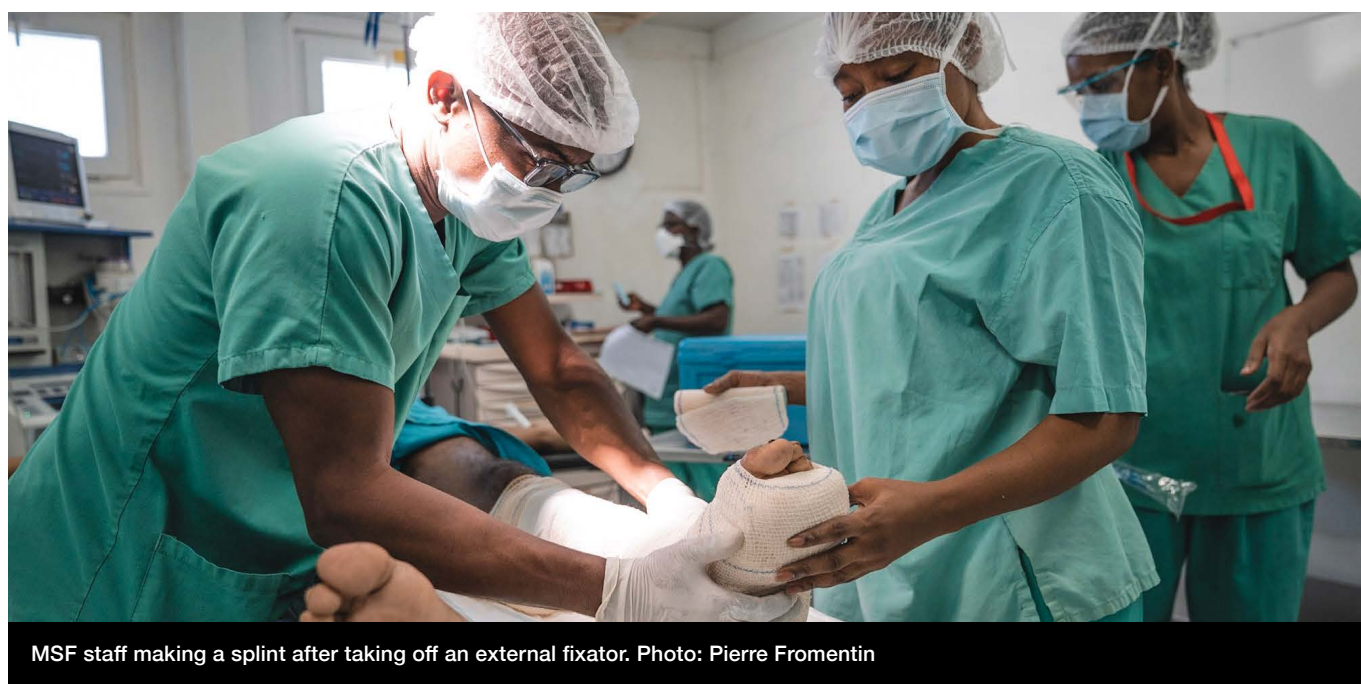
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

### Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal laws and regulations that directly affect the financial statements are the relevant Charities Acts in the UK and Ireland. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. We also considered the risks of non-compliance with other requirements imposed by the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the charity financial statements.

In addition, the charity is subject to many other laws and regulation where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigations. We identified the following areas as those most likely to have such an effect: employment law, data protection and health and safety legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulators to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.



MSF staff making a splint after taking off an external fixator. Photo: Pierre Fromentin

Audit procedures performed by the engagement team included:

- discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- reading minutes of meetings of those charged with governance, reviewing correspondence with HMRC and the various charity regulators;
- reviewing items included in the fraud and theft database;
- reviewing a sample of gift aid claims and ensuring these have been made in accordance with the regulations;
- challenging assumptions made by management in their significant accounting estimates in particular in relation to the recognition of legacies which have been accrued at the year end;
- we assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur through the risk of management override of controls and other adjustments, in particular any journals posted by senior management or with unusual accounts combinations. In order to address this risk, we considered the characteristics of unusual journal entries and reviewed the ledger to highlight any possible entries that could fit such characteristics; and
- we made enquiries regarding any matters identified as a Serious Incident as reportable to the Charity regulators. We also performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Fiona Condron*

Fiona Condron (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Gatwick, UK

Date 27 April 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# 12 Financial statements

## Statement of financial activities

Incorporating an Income and Expenditure account as required by the Companies Act 2006.

The notes on pages 53 to 69 form part of these financial statements.

	Note	2021 (£'000)			2020 (£'000)		
		Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
<b>Income</b>							
Donations and legacies	3	53,269	10,201	63,470	58,075	10,154	68,229
MSF UK charitable activities	4	4,135	324	4,459	3,925	233	4,158
Other income							
Interest income		8	-	8	16	-	16
Other		80	-	80	216	56	272
<b>TOTAL</b>		<b>57,492</b>	<b>10,525</b>	<b>68,017</b>	<b>62,232</b>	<b>10,443</b>	<b>72,675</b>
<b>Expenditure</b>							
Fundraising costs	5	9,611	-	9,611	8,408	-	8,408
Charitable activities (grants)							
Operational grants	6	38,168	10,445	48,613	38,133	9,728	47,861
Other grants	6	1,292	-	1,292	1,348	-	1,348
MSF UK charitable activities							
COVID-19 UK response	7	21	-	21	-	79	79
Operational staff and projects	7	5,278	-	5,278	5,120	-	5,120
Medical and programme support	7	4,756	324	5,080	4,433	263	4,696
Communications	7	1,994	-	1,994	1,875	-	1,875
<b>TOTAL</b>		<b>61,120</b>	<b>10,769</b>	<b>71,889</b>	<b>59,317</b>	<b>10,070</b>	<b>69,387</b>
<b>Net (expenditure) / income for the year</b>		<b>(3,628)</b>	<b>(244)</b>	<b>(3,872)</b>	<b>2,915</b>	<b>373</b>	<b>3,288</b>
Fund balances brought forward at 1 January		14,652	421	15,073	11,737	48	11,785
Balance transferred		(25)	25	-	-	-	-
<b>Fund balances carried forward at 31 December</b>		<b>10,999</b>	<b>202</b>	<b>11,201</b>	<b>14,652</b>	<b>421</b>	<b>15,073</b>



## Balance sheet

### As at 31 December

The notes on pages 53 to 69 form part of these financial statements.

		2021 (£'000)	2020 (£'000)
	Note		
<b>Fixed assets</b>			
Intangible assets	11	913	-
Tangible assets	12	280	726
		1,193	726
<b>Current assets</b>			
Debtors	13	9,202	12,963
Cash		19,837	21,149
		29,039	34,112
<b>Current liabilities</b>			
Creditors: Amounts falling due within one year	14	(19,031)	(19,765)
<b>Net current assets</b>		10,008	14,347
<b>NET ASSETS</b>		11,201	15,073
<b>FUNDS</b>			
Unrestricted			
General	15	4,989	4,547
Designated	15	6,010	10,105
Total unrestricted	15, 16	10,999	14,652
Restricted	15, 16	202	421
		11,201	15,073

These financial statements were approved by the Trustees on the 26 April 2022 and were signed on their behalf by:

*Derekjmorgan*

Derek Morgan

Treasurer

*N. McLean*

Nicola McLean

Chair

## Cash flow statement

### As at 31 December

The notes on pages 53 to 69 form part of these financial statements.

	2021 (£'000)	2020 (£'000)
Cash (outflow) / inflow from operating activities	(653)	8,876
Cash flow from investing activities		
Interest received	8	16
Purchase of fixed assets	(667)	(329)
	(659)	(313)
(Decrease) / Increase in cash in the year	(1,312)	8,563
Cash balance at 1 January	21,149	12,586
<b>Cash balance at 31 December</b>	<b>19,837</b>	<b>21,149</b>

### Reconciliation of net (expenditure) / income to operating cash flow

	2021 (£'000)	2020 (£'000)
Net (expenditure) / income	(3,872)	3,288
Bank interest	(8)	(16)
Depreciation charge	180	136
Loss on disposal of fixed assets	20	-
Decrease / (increase) in debtors	3,761	(2,459)
(Decrease) / increase in creditors	(734)	7,927
	(653)	8,876

## Notes to the financial statements

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### 1. Legal status

Médecins Sans Frontières (UK) is a registered charity and a company limited by guarantee, registered in England and Wales. On winding up, each person who is a member at that date is liable to contribute a sum not exceeding £1 towards the assets of the charity. As at 31 December 2021 the charity has 582 (2020: 578) members.

### 2. Accounting policies

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

#### Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with the Charities Statement of Recommended Practice ("Charities SORP (FRS 102) second edition – October 2019") and in accordance with the Financial Reporting Standard 102, (FRS 102) and the Companies Act 2006.

The Trustees consider that the level of ongoing support from committed donors, combined with the unrestricted reserves, secure MSF UK for the foreseeable future and, on this basis, consider that the charity is a going concern. The Board have reflected on the charity's operational and financial risk and have concluded that there are no material uncertainties relating to MSF UK's ability to continue as a going concern. The accounts have been prepared on a going concern basis accordingly.

#### Significant estimates and judgements

In preparing the financial statements, it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the Trustees to have the most significant effect on amounts recognised in the financial statements:

- a) The method for allocating overhead costs to expenditure categories is based on a full-time equivalent headcount. For our purposes, we have included costs under overheads that are deemed necessary for each department to run, including IT and facilities. Our definition is in line with that of the MSF movement.
- b) Legacy income is recognised when MSF UK has confirmation of entitlement, can reliably estimate the amount due and considers receipt to be probable. Where MSF UK has been notified of a legacy which does not meet these criteria, it is treated as a contingent asset and disclosed if material.

In practice, MSF UK will recognise a receipt as probable when there has been grant of probate; the executors have established that there are sufficient assets in the estate to pay the legacy, after settling any liabilities; and any conditions attached to the legacy are either within the control of the charity or have been met.



## Income

**Income** is accounted for when it meets the three recognition criteria as per the SORP (entitlement, probability and measurement).

**Donations** – donated income is recognised when MSF UK is entitled to it, receipt is probable, and the amount can be measured. Income from donations includes Gift Aid where appropriate.

**Legacies** – see estimates and judgements used in the above section.

**Charitable income** – income due from MSF entities for the recruitment and remuneration of staff working in MSF projects and for project expenditure is accounted for on a receivable basis.

**Donated gifts and services** – donated gifts and services are measured and included in the accounts on the basis of the value of the gift to the charity.

## Expenditure

All expenditure is accounted for on an accruals basis. Grants payable are recognised when a legal or constructive obligation commits the charity to expenditure. This is therefore recognised when the obligation exists, is probable and can be measured reliably.

For allocation of overhead costs, see estimates and judgements used in the above section.

## Taxation

MSF UK is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is exempt from taxation in respect of income or capital gains received.

## Fund accounting

**Unrestricted funds** consist of donations and other income that are available for use without any restrictions. These are available for general use to further the objectives of the charity at the Trustees' discretion.

**Designated funds** – MSF UK has the following designated funds in 2021:

- Accrued legacy income designated to operational programmes upon receipt.
- Capital fund being the actual and budgeted capital costs for the implementation of our new CRM and finance systems respectively. Amortisation for the new CRM system has been charged to this fund since it went live in mid-2020. Amortisation for the new finance systems will also be charged to this fund from the go-live date in 2022. The Board approved an increase in the capital fund due to an increase in the budgeted capital costs for the new finance systems.
- Designated matched funding for the Afghan Crisis Appeal. This has been expensed in 2021.

Note that the Board approved a release in 2021 of the carried forward designated fund for Global Workforce Development given the approval of the next phase of the LEAP project (see page 17).

**Restricted funds** are subject to specific restrictions imposed by donors or by the purpose of the appeal under which they were raised.

## Assets and liabilities

### Intangible assets

This is a new category for 2021. Assets have been reclassified from tangible fixed assets where they meet the criteria under FRS 102 for recognition as intangible assets.

Intangible assets are recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the charity; and the cost of the asset can be measured reliably. Intangible assets are recognised at cost as per the SORP and amortised as from the moment they are available for use on a straight-line basis over their useful economic lives as follows:

Computer software:	four to 10 years
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Assets under construction represent capitalised costs for system changes where the benefits would only start to be realised in future years. This will only be amortised when the assets are put into use.

### Tangible fixed assets

Assets costing over £1,000 are capitalised at historical cost as fixed assets and depreciated on a straight-line basis over their useful economic lives as follows:

Furniture and office equipment:	five years
Computer hardware:	five years
Structural alterations:	over the period of the lease

## Financial instruments

Financial instruments are financial assets, which comprise cash and debtors, and financial liabilities, which comprise creditors, measured at transaction price less attributable transaction costs.

## Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date, and the gains or losses on translation are included in the statement of financial activities. MSF UK has no hedging or derivative contracts.

## Operating leases

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

## Pensions

The charity contributes to employees' defined contribution personal pension schemes. The amount charged to the statement of financial activities represents the contributions payable in respect of the accounting period.

## Investments

The charity's sole investment is £1 (100 per cent of the share capital) in MSF Enterprises Limited, a company incorporated in England and Wales. The charity has not prepared consolidated accounts, as the subsidiary has no assets and is dormant.

### 3. Donations and legacies

	2021 (£'000)			2020 (£'000)		
	Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
Committed and regular donations by individuals	22,342	127	22,469	20,805	140	20,945
Income from appeals	9,595	4,536	14,131	10,256	3,932	14,188
Legacies	11,418	887	12,305	19,113	557	19,670
Grants received from charities and trusts	4,643	4,002	8,645	3,194	3,602	6,796
Sponsorship, events, collections, uncommitted individual donations	3,104	240	3,344	2,955	511	3,466
Donations from companies and corporations	2,167	409	2,576	1,752	1,412	3,164
<b>TOTAL</b>	<b>53,269</b>	<b>10,201</b>	<b>63,470</b>	<b>58,075</b>	<b>10,154</b>	<b>68,229</b>

See page 14 for more details on MSF UK's fundraising in 2021. The reduction in our legacy income in 2021 is the main reason for the overall decrease in our donations and legacies. Legacy income is inherently unpredictable when compared on a year-on-year basis.

We have been notified of potential future legacy income estimated at £13.2m (2020: £9.1m). However, MSF UK does not deem these items to fulfil all the conditions necessary for income recognition.

### 4. Income from charitable activities

MSF UK recruits professional staff, both medical and non-medical, whom we second to MSF operational centres. These operational centres manage medical humanitarian projects around the world and reimburse MSF UK the costs associated with the recruitment and employment of project staff. MSF UK does not manage projects in other countries.

MSF UK also implements projects and employs staff for which we receive primary purpose income either from other MSF partner sections or from the public. The increase from the previous year is due to an increase in staff managed by other MSF sections and funding for the new UK migration project (see page 16).

In 2021, we received restricted grants from MSF International and MSF France for 'transformative projects' that were undertaken on behalf of the movement. See pages 17 and 13 for more details on the LEAP programme and Misinformation project.



	2021 (£'000)			2020 (£'000)		
	Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
Staff supplied to operational activities	2,709	-	2,709	2,950	-	2,950
Operational projects and staff	1,426	-	1,426	975	-	975
Grants for transformational projects	-	324	324	-	233	233
<b>TOTAL</b>	<b>4,135</b>	<b>324</b>	<b>4,459</b>	<b>3,925</b>	<b>233</b>	<b>4,158</b>

## 5. Fundraising

Fundraising costs include staff costs, office costs and other costs incurred in attracting donations, legacies and similar income; the cost of promotional activities for income generation; and the costs associated with raising the profile of the charity. They also include a proportion of general support costs.

	2021 (£'000)	2020 (£'000)
Fundraising costs	9,155	8,009
Allocation of general support costs	456	399
<b>TOTAL</b>	<b>9,611</b>	<b>8,408</b>

Fundraising costs increased in 2021 due to planned increased investment in broadcast media and digital fundraising. See page 14 for more details on MSF UK's fundraising in 2021.

## 6. Charitable activities (grants)

### Operational grants

MSF operational centres are responsible for medical humanitarian projects in 72 countries. MSF UK's grants to these projects have been grouped by country or programme category in the table below. Note that these projects are not managed by MSF UK.

The decision on which projects and programmes to fund is retained by the Board but influenced by need as expressed by the MSF operational centres that we fund. In 2021, we have increased our funding to Afghanistan and Mozambique, and decreased it for COVID-19 projects. We have also started to fund social mission costs at MSF Holland.

See section 2 for more details on the main projects that MSF UK supports.

	2021 (£'000)	2020 (£'000)
<b>Grant recipient</b>		
MSF Holland	33,057	32,156
MSF Belgium	15,331	14,817
MSF France	225	887
<b>TOTAL</b>	<b>48,613</b>	<b>47,860</b>

	2021 (£'000)			2020 (£'000)		
	Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
<b>Main programmes</b>						
Afghanistan	505	3,295	3,800	1,743	7	1,750
Democratic Republic of Congo	3,549	51	3,600	4,760	97	4,857
Mozambique	7,728	45	7,773	3,124	229	3,353
South Africa	4,189	128	4,317	5,650	-	5,650
South Sudan	3,679	206	3,885	2,319	379	2,698
Sub-total	19,650	3,725	23,375	17,596	712	18,308

	2021 (£'000)			2020 (£'000)		
	Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
<b>Other programmes</b>						
Bangladesh	885	315	1,200	1,388	217	1,605
Burkina Faso	-	-	-	-	383	383
Central African Republic	182	218	400	600	-	600
Chad	445	-	445	400	-	400
COVID-19 response	28	660	688	-	5,241	5,241
Ethiopia	903	497	1,400	472	228	700
Greece	-	24	24	-	155	155
Haiti	1,068	132	1,200	700	-	700
India	567	33	600	1,384	1	1,385
Iraq	200	-	200	839	-	839
Jordan	290	10	300	998	2	1,000
Lebanon	300	84	384	-	506	506
Libya	250	875	1,125	494	281	775
Myanmar	1,700	1	1,701	1,158	142	1,300
Nigeria	499	1	500	1,549	1	1,550
MSF Holland social mission	3,306	-	3,306	-	-	-
Pakistan	-	-	-	1,050	-	1,050
Search and Rescue	279	721	1,000	675	125	800
Sierra Leone	199	1	200	500	-	500
Somalia	1,000	405	1,405	1,005	1	1,006
Sudan	539	361	900	-	-	-
Syria (appeal and crisis)	989	211	1,200	509	786	1,295
Uzbekistan	300	-	300	630	-	630
Venezuela	1,400	-	1,400	1,447	298	1,745
Yemen	532	2,168	2,700	972	628	1,600
Zimbabwe	2,657	3	2,660	3,767	21	3,788
Sub-total	18,518	6,720	25,238	20,537	9,016	29,553
<b>TOTAL GRANTS</b>	<b>38,168</b>	<b>10,445</b>	<b>48,613</b>	<b>38,133</b>	<b>9,728</b>	<b>47,861</b>

## Other grants

	2021 (£'000)	2020 (£'000)
<b>MSF International</b>		
Strategic activities	943	965
Access Campaign	191	207
Drugs for Neglected Diseases initiative	158	176
<b>TOTAL</b>	<b>1,292</b>	<b>1,348</b>

## 7. MSF UK charitable activities

MSF UK's expenditure includes our own charitable activities, which contribute to the medical humanitarian projects of the MSF operational centres and the strategic objectives of the MSF movement. These comprise staff costs, office costs and other costs incurred, as well as a proportion of general support costs.

	2021 (£'000)			2020 (£'000)		
	Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
<b>Programmes</b>						
COVID-19 UK response	21	-	21	-	79	79
	21	-	21	-	79	79
<b>Operational staff and projects</b>						
Operational staff	2,709	-	2,709	2,950	-	2,950
Operational staff support	1,078	-	1,078	1,108	-	1,108
Operational projects and staff	1,265	-	1,265	847	-	847
Allocation of general support costs	226	-	226	215	-	215
	5,278	-	5,278	5,120	-	5,120
<b>Medical and programme support</b>						
Salaries, expenses and office costs	3,727	-	3,727	3,445	30	3,475
Transformational projects	533	324	857	516	233	749
Allocation of general support costs	496	-	496	472	-	472
	4,756	324	5,080	4,433	263	4,696
<b>Communications</b>						
Salaries, expenses and office costs	1,686	-	1,686	1,583	-	1,583
Allocation of general support costs	308	-	308	292	-	292
	1,994	-	1,994	1,875	-	1,875
<b>TOTAL MSF UK CHARITABLE ACTIVITIES</b>	<b>12,049</b>	<b>324</b>	<b>12,373</b>	<b>11,428</b>	<b>342</b>	<b>11,770</b>



See note 4 on operational staff costs. The increase in operational projects and staff has been due to an increase in staff managed by other MSF sections and the new UK migration project (see page 16). The increase in medical and programme support costs are due to the recruitment of new positions to directly support our programmes, including in relation to OCA's health information system as part of its transition from a project to business as usual.

## 8. Support and governance costs

Support costs are those functions that assist the work of the charity but do not directly relate to charitable activities. This includes the finance function and executive management. Governance costs cover the remuneration and training of Trustees (see below), permissible expenses, and meeting and secretarial costs.

Support costs have been allocated between the key activities undertaken on the basis of full-time equivalent headcount.

	2021 (£'000)	2020 (£'000)
<b>Support costs</b>		
General support costs	1,388	1,271
Governance costs	98	107
	1,486	1,378
<b>Allocation to fundraising and MSF UK charitable activities</b>		
Fundraising support	456	399
Operational staff and projects support	226	215
Medical and programme support	496	472
Communications support	308	292
	1,486	1,378

### Trustees' remuneration, expenses and donations

Governance costs include the remuneration of our Chairs: Javid Abdelmoneim (from 1 January to 12 June 2021) and Nicola McLean (from 12 June to 31 December 2021). Javid Abdelmoneim was paid £9,986 for 43 days of work (2020: £22,008 for 116 days) and Nicola McLean was paid £12,396 for 90 days of work. The Chair's remuneration is sanctioned by the charity's Articles of Association and was determined by the Board, in the absence of the Chair, based on a recommendation of the Remuneration Committee. The Chair receives a fixed monthly retainer in compensation for the time spent fulfilling their Chair duties above that of other trustees. No other trustee received compensation for their role as trustee.

During the year, the equivalent of 11 trustees were reimbursed for expenses, or had expenses paid on their behalf by the charity, to the value of £5,585 in relation to MSF UK business (2020: £12,035 to 11 trustees). Trustees' expenses comprise principally training costs and the cost of travel to attend governance meetings in the UK and overseas to other MSF entities. In addition, £750 plus VAT was paid on behalf of Ms Siddiqui in respect of necessary professional fees.

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

	2021 (£'000)	2020 (£'000)
Auditor's remuneration for statutory audit	38	37
Auditor's remuneration for other services	4	3
Exchange losses / (gains)	38	(165)
Operating lease payments	421	450

## 10. Staff numbers and costs

The total number of employees throughout the year was:

	2021	2020
Operational staff working in MSF programmes	214	222
Recruitment and support of operational staff	25	24
Fundraising	36	35
Medical and programme support	53	46
Communications	29	29
Support and governance	26	23
<b>TOTAL</b>	<b>383</b>	<b>379</b>

The average number of employees throughout the year was:

	2021	2020
Operational staff working in MSF programmes	74	76
Recruitment and support of operational staff	15	18
Fundraising	31	29
Medical and programme support	35	33
Communications	21	22
Support and governance	20	17
<b>TOTAL</b>	<b>196</b>	<b>195</b>

The costs of employing staff during the year were:

	2021 (£'000)	2020 (£'000)
Wages and salaries	7,768	7,109
Social security costs	688	677
Pension costs	645	613
<b>TOTAL</b>	<b>9,101</b>	<b>8,399</b>

Wages and salaries have increased due to an increased proportion of higher graded positions being recruited during the year particularly under medical and programme support.

The number of employees with total compensation (excluding employer pension costs) greater than £60,000 are:

	2021	2020
Between £60,000 and £70,000	7	4
Between £70,000 and £80,000	1	2
Between £80,000 and £90,000	1	1

Employer contributions to defined contribution pension schemes on behalf of staff paid over £60,000 amount to £59,883 (2020: £48,229).

Vickie Hawkins, MSF UK Executive Director, is the highest paid employee of MSF UK with total compensation (exclusion pension costs) of £87,334. There are nine employees with total compensation over £60,000; seven are members of MSF UK's Management Team, who are judged to be key management personnel. See page 38 for MSF UK's remuneration policy.

The total employee benefits, excluding pension scheme contributions, of the Management Team were £612,343 (2020: £596,808).

## 11. Intangible assets

	Computer software (£'000)	Assets under construction (£'000)	TOTAL (£'000)
<b>Cost</b>			
At beginning of year	-	-	-
Reclassification transfers	617	576	1,193
<b>TOTAL</b>	617	576	1,193
<b>Depreciation</b>			
At beginning of year	-	-	-
Reclassification transfers	280	-	280
<b>TOTAL</b>	280	-	280
<b>Net book value</b>			
At beginning of year	-	-	-
<b>At end of year</b>	337	576	913

Reclassification transfers relate to the transfer of software assets from tangible to intangible fixed assets where the asset is considered to be separable and constituting an asset in its own right.

'Assets under construction' relate to the new finance systems. These have gone live in early 2022.



## 12. Tangible fixed assets

	Furniture and equipment (£'000)	Computer hardware (£'000)	Computer software (£'000)	Structural alterations (£'000)	Assets under construction (£'000)	TOTAL (£'000)
<b>Cost</b>						
At beginning of year	190	546	749	579	45	2,109
Reclassification transfers	-	-	(617)	-	(576)	(1,193)
Additions	4	132	-	-	531	667
Disposals	(80)	(385)	(132)	-	-	(597)
<b>TOTAL</b>	<b>114</b>	<b>293</b>	<b>-</b>	<b>579</b>	<b>-</b>	<b>986</b>
<b>Depreciation</b>						
At beginning of year	186	372	359	466	-	1,383
Reclassification transfers	-	-	(280)	-	-	(280)
Charge for the year	4	77	80	19	-	180
Disposals	(81)	(337)	(159)	-	-	(577)
<b>TOTAL</b>	<b>109</b>	<b>112</b>	<b>-</b>	<b>485</b>	<b>-</b>	<b>706</b>
<b>Net book value</b>						
At beginning of year	4	174	390	113	45	726
<b>At end of year</b>	<b>5</b>	<b>181</b>	<b>-</b>	<b>94</b>	<b>-</b>	<b>280</b>

Reclassification transfers relate to the transfer of software assets (including assets under construction) from tangible to intangible fixed assets where the asset is considered to be separable and constituting an asset in its own right.

## 13. Debtors

	2021 (£'000)	2020 (£'000)
MSF entities	1,153	1,351
Legacies receivable	4,746	8,926
Other debtors	2,514	2,398
Prepayments	789	288
<b>TOTAL</b>	<b>9,202</b>	<b>12,963</b>

'MSF entities' relate to the entities that make up the worldwide MSF movement (see appendix 1).

Legacies receivable in 2020 included a significant legacy of £4 million notified towards the end of the financial year and received in 2021.

## 14. Creditors: amounts falling due within one year

	<u>2021 (£'000)</u>	<u>2020 (£'000)</u>
MSF entities	16,461	16,279
Tax and social security	230	224
Deferred income	-	1,753
Accruals	1,066	1,165
Other creditors	1,274	344
<b>TOTAL</b>	<u>19,031</u>	<u>19,765</u>

£15.9m (2020: £16.2m) of the £16.5m creditor balance to MSF entities relate to grants due to MSF sections (see note 6). The remaining balance relates to intra-sectional transactions.

£1.8 million of income in 2020 was deferred due to the terms and conditions of the grants. There was no deferred income in 2021. See below for the movement of deferred income during the year:

	<u>2021 (£'000)</u>	<u>2020 (£'000)</u>
At beginning of year	1,753	1,537
Released	(1,753)	(1,537)
Deferred income	-	1,753
<b>At end of year</b>	<u>-</u>	<u>1,753</u>

## 15. Movements in funds

	1 January 2021 (£'000)	Income (£'000)	Expenditure (£'000)	Transfers (£'000)	31 December 2021 (£'000)
<b>Unrestricted funds</b>					
General fund	4,547	52,591	(60,711)	8,562	4,989
Designated fund - legacies	8,926	4,551	-	(8,731)	4,746
Designated fund - global workforce development	162	-	-	(162)	-
Designated fund - capital projects	1,017	-	(59)	306	1,264
Designated matched funding for Afghan Crisis Appeal	-	350	(350)	-	-
Sub-total	14,652	57,492	(61,120)	(25)	10,999
<b>Restricted funds</b>					
Afghanistan	-	3,462	(3,295)	19	186
Bangladesh	-	315	(315)	-	-
Central African Republic	-	218	(218)	-	-
COVID-19 response	-	660	(660)	-	-
Ethiopia	-	497	(497)	-	-
Haiti	-	132	(132)	-	-
Libya	-	875	(875)	-	-
Search and Rescue	-	721	(721)	-	-
Somalia	405	-	(405)	-	-
South Africa	-	128	(128)	-	-
South Sudan	-	206	(206)	-	-
Sudan	-	361	(361)	-	-
Syria (appeal and crisis)	-	211	(211)	-	-
Transformational projects	-	324	(324)	-	-
Yemen	-	2,162	(2,168)	6	-
Other	16	253	(253)	-	16
Sub-total	421	10,525	(10,769)	25	202
<b>TOTAL FUNDS</b>	<b>15,073</b>	<b>68,017</b>	<b>(71,889)</b>	<b>-</b>	<b>11,201</b>

See note 2 on accounting policies for details of the 'Designated funds' for 2021.

	1 January 2021 (£'000)	Income (£'000)	Expenditure (£'000)	Transfers (£'000)	31 December 2021 (£'000)
<b>Unrestricted funds</b>					
General fund	4,020	54,064	(59,292)	5,755	4,547
Designated fund - legacies	6,847	8,168	-	(6,089)	8,926
Designated fund - global workforce development	-	-	-	162	162
Designated fund - capital projects	870	-	(25)	172	1,017
Sub-total	<u>11,737</u>	<u>62,232</u>	<u>(59,317)</u>	<u>-</u>	<u>14,652</u>
<b>Restricted funds</b>					
Bangladesh	-	217	(217)	-	-
Burkina Faso	-	383	(383)	-	-
COVID-19 response	-	5,320	(5,320)	-	-
Ethiopia	-	228	(228)	-	-
European migration projects - SAR	-	125	(125)	-	-
Greece	-	155	(155)	-	-
Transformational projects	-	233	(233)	-	-
Lebanon	-	506	(506)	-	-
Libya	1	280	(281)	-	-
Mozambique	-	229	(229)	-	-
Somalia	1	405	(1)	-	405
South Sudan	-	379	(379)	-	-
Syria	-	786	(786)	-	-
Venezuela	-	298	(298)	-	-
Yemen	-	628	(628)	-	-
Other	46	271	(301)	-	16
Sub-total	<u>48</u>	<u>10,443</u>	<u>(10,070)</u>	<u>-</u>	<u>421</u>
<b>TOTAL FUNDS</b>	<u>11,785</u>	<u>72,675</u>	<u>(69,387)</u>	<u>-</u>	<u>15,073</u>



## 16. Analysis of net assets between funds

	2021 (£'000)			2020 (£'000)		
	Fixed assets	Current assets	TOTAL	Fixed assets	Current assets	TOTAL
Unrestricted funds	1,193	9,806	10,999	726	13,926	14,652
Restricted funds	-	202	202	-	421	421
<b>TOTAL</b>	<b>1,193</b>	<b>10,008</b>	<b>11,201</b>	<b>726</b>	<b>14,347</b>	<b>15,073</b>

## 17. Lease payments

The charity has entered into a rental agreement for its offices, which is currently due to expire in 2025 and which is classified as an operating lease. The total future minimum payments on this lease are as follows:

	2021 (£'000)	2020 (£'000)
No later than one year	452	452
Later than one year and not later than five years	943	1,395
Later than five years	-	-
<b>TOTAL</b>	<b>1,395</b>	<b>1,847</b>

## 18. Pension arrangements

The charity operates a defined contribution group personal pension scheme. The assets of the scheme are held in a separate independently administered fund. The charge in respect of the contributions in the year was £749,708 (2020: £705,076). The cost is accounted in the year it arises with £13,741 outstanding as at 31 December 2021 (2020: £17,799).

## 19. Related party transactions

MSF Enterprises is a fully owned subsidiary of MSF UK. During the year, MSF Enterprises has been dormant.

See note 8 on Trustees for further details. We do not consider there to be any further related party transactions that require disclosure.

# 13 Appendices

## Appendix 1: Structure of MSF

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**Médecins Sans Frontières (MSF):** An international, independent medical humanitarian organisation that delivers emergency aid to people affected by armed conflict, epidemics, natural disasters and exclusion from healthcare. MSF was founded in France in 1971, in the wake of war and famine in Biafra, Nigeria. We have expanded to become a worldwide movement of current and former field staff, grouped into 25 national and regional Associations.

**MSF UK:** This is a company and a charity. MSF UK is a corporation and a legal entity, distinct from its members, with a legal name, rights, responsibilities, assets and liabilities.

**MSF sections:** Sections are the operating entities that make up the MSF movement. There are 23 affiliated sections worldwide; MSF UK is one. Sections run operational projects and provide operational project support and/or indirect operational support activities (such as fundraising and communications). They are institutional members of MSF International and meet other requirements as defined by the International Board.

**MSF branch offices:** Branch offices also run indirect operational support activities but have no executive autonomy in the MSF movement. They are represented by sections in MSF's international coordination bodies.

**MSF UK Association:** The company law members of MSF UK. These are former and current staff, including volunteers, who are members of the company MSF UK, guaranteeing MSF UK's purpose and direction. Internationally, each MSF section has a similar governance structure involving an association of staff and volunteers who have worked for MSF.

**MSF operational centres:** MSF field projects are delivered by five operational centres located in Amsterdam, Barcelona, Brussels, Geneva and Paris. There is also a sixth newest entity, the West and Central Africa Association (WACA), which is an institutional member with the right to run operations. The operational centres are not separate legal entities but are collaborations between various MSF entities. The tangible elements of each operational centre sit within the particular MSF entity in the country where it is located. For example, Operational Centre Amsterdam sits within MSF Holland. The operational centres directly manage medical humanitarian projects, prepare budgets and allocate resources. MSF entities are usually affiliated to a specific operational centre; MSF UK is affiliated to Operational Centre Amsterdam.

**MSF International:** A Swiss non-profit entity which provides coordination, information and support to the whole of MSF. It also hosts the higher governing structures: the International General Assembly, the International Board, the Executive Committee and the International Office.

**MSF International General Assembly:** This assembly is constituted of democratically elected members of MSF Associations (two representatives per MSF Association). It meets annually in June to debate and decide issues of policy and strategy. The International General Assembly is the highest authority in MSF; it elects the International President and most of the International Board and is charged with safeguarding MSF's medical humanitarian social mission.

**MSF International Board:** A majority democratically elected board with delegated powers from the International General Assembly. A minority of members are chairs of the operational centres' governance bodies. It meets on average eight times a year to govern MSF International and oversee the Executive Committee.

**MSF Executive Committee:** A platform comprising the Executive Director of each MSF section. The Executive Committee is charged with providing international executive leadership to MSF; coordinating the implementation of an international work plan; ensuring reactivity, efficiency, relevance and consistency in MSF's social mission and other support activities. There is a smaller Core Executive Committee made up of the General Directors of the five operational centres plus two elected members from the wider movement.

## Appendix 2: Principal offices

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### **MSF International**

78 rue de Lausanne  
1211 Geneva, Switzerland

### **MSF Belgium**

Seat of Operational Centre Brussels  
46 rue de l'Arbre Bénit  
1050 Brussels, Belgium

### **MSF France**

Seat of Operational Centre Paris  
14–34 avenue Jean Jaurès  
75019 Paris, France

### **MSF Holland**

Seat of Operational Centre Amsterdam  
Plantage Middenlaan 14  
1018 DD Amsterdam, The Netherlands

### **MSF Spain**

Seat of Operational Centre Barcelona-Athens  
Carrer de Zamora 54  
08005 Barcelona, Spain

### **MSF Switzerland**

Seat of Operational Centre Geneva  
78 rue de Lausanne  
1211 Geneva, Switzerland

### **MSF West and Central Africa (WACA)**

MSF WACA (Association MSF Afrique de L'Ouest et Centrale)  
Rue Du 7 Décembre, Parcelle 27 de L'Ilot 4,  
Marcory Zone 4/c  
Abidjan 26 BP 392  
Ivory Coast

### **Other MSF locations**

MSF entities in other countries recruit project staff, raise funds and advocate on behalf of people in crises. A complete and up-to-date list of these entities can be found on our website: [www.msf.org](http://www.msf.org).

For more information on MSF UK,  
please visit: [www.msf.org.uk](http://www.msf.org.uk)

Find us on:

