



MEDECINS SANS FRONTIERES(UK)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2019

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 2019. 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 ("SORP 2015 – Second Edition").

Company limited by guarantee Company number 02853011

Charity number 1026588

Table of Contents

A MESSAGE FROM JAVID AND VICKIE	3
A MESSAGE FROM THE FIELD	5
1. REFERENCE AND ADMINISTRATIVE DETAILS	6
2. MSF'S MEDICAL HUMANITARIAN WORK IN 2019.....	8
3. MEDECINS SANS FRONTIERES (UK): STRATEGIC DIRECTION.....	14
4. MEDECINS SANS FRONTIERES (UK): ACHIEVEMENTS AND PERFORMANCE.....	16
5. FOR THE PUBLIC BENEFIT	23
6. STRUCTURE, GOVERNANCE AND MANAGEMENT.....	28
7. FINANCIAL REVIEW.....	36
8. STATEMENT OF TRUSTEES' RESPONSIBILITIES.....	39
9. INDEPENDENT AUDITOR'S REPORT	40
10. FINANCIAL STATEMENTS	43
11. NOTES TO THE FINANCIAL STATEMENTS	46
12. APPENDICES	64

A MESSAGE FROM JAVID AND VICKIE

Today we are all occupied by very immediate concerns. The COVID-19 pandemic has affected countries across the world. As we write, the epicentre has shifted to Europe and the USA, with the UK bracing itself for what is to come. Many millions of people have been impacted and MSF is doing all it can to help with the response. In Belgium, Italy, France and Spain, MSF has started its first activities in response to the pandemic. Closer to home we are mobilising our Association members and staff to support the NHS and civil society-led efforts.

MSF is fearful of the even-worse impact COVID-19 could have in the countries where we provide medical care. Many already have fragile healthcare systems that have been decimated by conflict or weakened by past outbreaks. We are helping Ministries of Health to prepare for outbreaks in many countries around the world. We also remain focused on keeping our ongoing medical programmes running, so that they continue with their life-saving work.

At such a moment, it feels strange to be looking back. But this annual report covers 2019, a memorable year for MSF as the 20th anniversary of our receiving the Nobel Peace Prize. The Nobel Committee decided to award the prize to MSF for what it described as our pioneering humanitarian work on several continents. It cited the fundamental principle that all disaster victims, be the disaster natural or man-made, have the right to assistance, and that national boundaries and political circumstances must have no influence on who receives humanitarian assistance. The awarding of the prize followed a bloody and tragic decade.

The medical needs MSF faced at the time were vast. Genocide in Rwanda. War crimes and the challenges of working in a conflict labelled as an anti-terrorism operation in Chechnya. Massacres and targeted attacks on humanitarian organisations in Yugoslavia. A civil war in Sudan that left millions displaced and at risk.

We were also working in forgotten crises. A malaria epidemic compounded by human rights violations in Myanmar. Malnutrition and a resurgent conflict in Angola. 'Illegal' refugees in Europe denied political status and afraid to seek healthcare lest the contact lead to their expulsion. Across the world, people were dying from HIV/AIDS at an alarming rate. Treatments for tuberculosis, malaria and neglected tropical diseases were too expensive, ineffective, ill-adapted for or non-existent in the places where people needed them most.

Recalling our then International President James Orbinski's Nobel Prize acceptance speech, it's striking how closely our work at that time resembles our work today. The mass killings and allegations of genocide in Rakhine state, Myanmar. The challenges of working in a conflict labelled as an anti-terrorism operation in Nigeria. The devastating attacks on civilians and healthcare infrastructure in Syria and Yemen. Civil war in South Sudan. Refugees and migrants in Europe, including here in the UK, still afraid to seek healthcare.

"Men and women risk their lives to embark on clandestine journeys only to end up in a hellish immigration detention centre or barely surviving on the periphery of our so-called civilised world."

The words of that speech could have been written to describe the situation in the Central Mediterranean and in the abusive detention centres of Libya. James Orbinski also called out international humanitarian law as dysfunctional. Today, we see it under attack.

In conflict areas, hospitals and healthcare workers are targets in war strategies that aim to deprive people of healthcare. In international and national law, MSF has to continually defend its ability to work in an impartial, neutral fashion in the face of counter-terrorism legislation. Such legislation criminalises the provision of assistance to individuals and communities in conflicts which are fought as counter-terrorism operations. It represents a massive erosion of the fundamental principle

recalled by the Nobel Committee: that political circumstances must have no influence on who receives help.

In the same year that we received the Nobel Prize, MSF launched the Campaign for Access to Essential Medicines (now known as the Access Campaign). We did this because of the lack of access to medicines experienced by our field teams and patients. We were driven to act out of frustration that the restrictions were the result of conscious political choices about how medical innovation and access to health tools were organised and financed.

Since then, we've worked with patient groups, activists, colleagues from the Access to Medicines movement around the world, and generic and innovative drug developers, such as the Drugs for Neglected Diseases Initiative (co-founded by MSF using the money we received from the Nobel Prize). Together, we've made real gains in the fields of HIV, malaria, pneumonia and hepatitis C, and in some of the world's most neglected diseases, such as Chagas. Unfortunately, despite winning some battles, the challenges ranged against access to medicines are greater than ever. New drugs, diagnostics and vaccines are sold at increasingly high prices, while the global pharmaceutical industry, and the governments that support it, are seemingly impervious to the massive need for affordable treatments.

Twenty years on, the world seen through a medical humanitarian frame seems bleak. We have huge challenges ahead. An anniversary year, then, felt like a good moment to take stock, and that is exactly what MSF has been doing.

The MSF movement has grown enormously in the past two decades, supported by six million donors around the world and the efforts of 45,000 members of staff. We have many volunteer Association members too, working to support our staff and confronting some of those challenges, such as our own Take Action group here in the UK, which campaigns against the restrictions on access to healthcare for refugees and migrants.

How can we best harness the capacity, reach and voice of our supporters, members and staff, today and in the future, to bring about change? Change in the lives of some of the most vulnerable people in the world living in many of its most dangerous, violent, precarious places. Change in the systems and the environments that determine their safety, protection and health.

Médecins Sans Frontières (UK) has also been thinking about its future and its contribution to the work of the MSF movement. We are happy to present more information on our future direction in this year's trustees' report.

Thank you for all the support that you have given us over the years, which makes our ongoing work possible. Despite the ongoing scale of medical humanitarian crises, you help MSF to bring a bit of humanity into the lives of people suffering in terrible situations.

Thank you for that.

Javid and Vickie

A MESSAGE FROM THE FIELD

My name is Sana Noman. I've been working as a general practitioner with MSF, in the emergency surgical ward in Taiz, Yemen, for about four years now. The war is the reason I'm at this hospital. I had planned to continue my postgraduate studies and specialisation, but I had to move to the other side of the city to support my family.

I have seen first-hand how the war has affected everyone here, young and old. No family has been spared. The health system collapsed early on in the conflict and we began to see many cases at the hospital that, until then, we hadn't realised existed in the city.

I started as a doctor in the paediatrics department. We treated many children; some were local and others came from far away. With no medical services available in remote villages, children would get worse on their journey to hospital because of the distance they had to travel, a lack of money to pay for transport or because the roads had been closed. Some would arrive late in a severe condition. Sometimes they arrived too late for us to do anything more than ease their pain and treat their immediate symptoms. In other departments, such as the maternity ward, mothers sometimes died before they even arrived because of post-delivery bleeding, or their babies were dead because of complex births before they reached us.

I remember one particular mother that I met when I was working in the neonatal and premature baby ward. She arrived to give birth before her due date because she had pre-eclampsia, a serious pregnancy complication which can be fatal for both mother and baby. She already had five sons and wanted a girl this time. Because the pre-eclampsia put her life at risk, the doctors had to do a caesarean section and deliver the baby early. Like any premature newborn, the baby – the longed-for girl – was brought to the neonatal ward to receive the necessary care.

It was difficult to watch the mother visiting her baby only a few hours after her delivery, despite all her pain. She made frequent trips to the neonatal ward, crying and asking when her daughter would be out of the baby cot so she could hold her. She cried the day she first held her baby too, and prayed to God to protect MSF staff as they had saved her daughter, and to ensure that MSF's services would continue to exist.

When I joined the emergency surgical ward, most patients had been injured in traffic accidents, or by gunshots or landmines. One day, two brothers were brought in an hour after being injured by shrapnel from a shell that fell near their house. The youngest was severely injured, with wounds to his chest and neck. He was breathing with difficulty because his lungs had filled with blood. Despite the fact that he was just a child, and his injury so serious, he didn't cry or whimper. He just looked at us, fully conscious. I asked myself, 'What has happened to give these children the endurance of adults?' His older brother had slight injuries and was also watching without saying anything.

Our most fervent wishes now are to find safety and be with our families; to reach them without barriers. We wish that the war would stop so that we can live freely, without fear. We wish that our children will be able to go to school. We wish we could sleep without hearing or thinking about gunshots and explosions, knowing that we'll see our families tomorrow and that nothing bad will happen to them or to us.

I would like to thank all of MSF's supporters for helping us to continue this vital work.

Dr Sana Noman

1. REFERENCE AND 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 year-end were as follows:

Elected trustees

Javid Abdelmoneim – Chair of the Board of Trustees

Alyson Froud

Colin Herrman

Dennis Kerr (Term ended 9 June 2019)

Keith Longbone

Nicola McLean

Heidi Quinn

Vita Sanderson (Elected 9 June 2019)

Tejshri Shah (Term ended 9 June 2019)

Emma Simpson

Robert Verrecchia (Elected 9 June 2019)

Co-opted trustees

Dal Babu

Derek Morgan (Co-opted 24 May 2019)

Damien Régent – Treasurer, Vice-Chair of the Board of Trustees

Médecins Sans Frontières (UK) Senior Management Team

Kerry Brandon – Head of Executive Office (Interim March 2019 to January 2020)

Donald Campbell – Head of Communications

Caroline Doan – Head of Finance and Services

Gemma Gillie – Head of Communications (Interim November 2019 to January 2020)

Elizabeth Harding – Humanitarian Representative

Vickie Hawkins – Executive Director

Jose Hulsenbek – Head of Human Resources

Roland Imi – Head of Information Technology

Kiran Jobanputra – Head of the Manson Unit

James Kliffen – Head of Fundraising

Johanna Liddle – Company Secretary, Head of Regulation and Policy (until 15 November 2019)

Kristen Veblen McArthur – Head of Executive Office (on leave in 2019)

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

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 2853011). 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

Full contact details, including email, are on www.msf.org.uk/contact-us

Other names

Médecins Sans Frontières is commonly abbreviated to MSF. We are also known as Doctors Without Borders.

2. MSF'S MEDICAL HUMANITARIAN WORK IN 2019

Médecins Sans Frontières (UK) raises money and recruits staff to support the work of MSF's Operational Centres, which are responsible for directly managing our medical humanitarian work overseas. Médecins Sans Frontières (UK) also increases public and political awareness of MSF's work within the UK and provides strategic and technical support to MSF's field teams.

During 2019 88 per cent of Médecins Sans Frontières (UK)'s total expenditure was in support of our medical humanitarian work. The work of Médecins Sans Frontières (UK) and the generosity of its supporters help ensure that MSF can continue its vital fieldwork, providing healthcare where it's needed most.

In 2019 MSF Operational Centres provided life-saving care in 72 countries.

MSF's purpose

As a medical humanitarian organisation the purpose of MSF is to save lives and ease the suffering of people facing crises by helping those who are unable to access healthcare. We do this to create a space for humanity and to restore their ability to rebuild their lives and their communities.

MSF provides medical assistance to those who need it most, regardless of ethnicity, religion, gender or political affiliation. We provide primary healthcare and surgical interventions, assist victims of armed conflict and natural disasters, fight epidemics and infectious diseases, conduct vaccination campaigns, treat malnutrition, provide maternal and child healthcare, treat survivors of sexual and gender-based violence, and provide mental healthcare.

As a founding principle, MSF is committed to the act of *témoignage* ('giving testimony'). We speak out about what our field teams see in the course of their work to provoke a social and political response. We do this to honour those we work with and care for, to raise awareness of their experiences and to change the situations that have left them in crisis.

MSF's responses in emergency situations and protracted crises

MSF projects are built around meeting 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 location and the particular needs being addressed in each project. Each MSF project is managed and delivered by an Operational Centre. It is assigned a budget and a set of success measures that reflect the nature of the particular project. These are reviewed and revised at regular intervals to ensure the project progresses towards its targets in the most effective way.

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. We are often among the first international organisations to respond to emergency situations.

In protracted crises, the scope of our responses are long-term. MSF teams, made up of a diverse mix of national and international staff, work with local authorities and communities to improve access to healthcare. We do this in close proximity to the people that we assist and their families to better understand their needs, adapting our services to reflect this.

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

Ultimately, MSF aims to close each project, so that our resources can be refocused to where they are needed most. Sometimes a project will close when the healthcare services we offer are no longer needed, for example after an epidemic has been contained. Before we leave a project, we work hard to ensure there are robust systems and procedures in place, and that the services we were providing can be sustained by a local organisation or Ministry of Health. There is no rigid or specific formula for when this might happen, nor is it always a clear decision. In each case, MSF does its best to ensure continuity of care, with many MSF projects training local staff, developing their skills and teaching them how to train others.

How we support MSF's medical humanitarian work

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

When a supporter donates to Médecins Sans Frontières (UK), part or all of that donation is granted to an Operational Centre. How and where that money is granted is coordinated by the Médecins Sans Frontières (UK) Management Team and approved by the Board of Trustees, working together with other MSF offices around the world. When a donation is made for a specific purpose, such as to support a particular project or appeal, Médecins Sans Frontières (UK) classifies these funds as restricted and grants them, without deduction, to the MSF Operational Centre responsible for managing that project or responding to the relevant emergency.

During 2019 Médecins Sans Frontières (UK) made grants totalling £38.7 million (2018: £36.4 million) to Operational Centres, including £26.8 million to Operational Centre Amsterdam (OCA) (2018: £25.5 million) and £11.5 million to Operational Centre Brussels (OCB) (2018: £10.9 million).

In 2019 the countries that received the largest grants from Médecins Sans Frontières (UK) were Guinea (£4.9 million), the Democratic Republic of Congo (£3.8 million), South Africa (£3.4 million), Afghanistan (£2.8 million) and Libya (£2.6 million).

In this section, we've highlighted some of MSF's activities in these countries during 2019. For more information and the latest news on our work, and to read the stories of our staff and patients, please go to www.msf.org.uk.

Guinea

MSF has worked in Guinea, on the West African coast, since 1984. Our programmes are focused on the capital, Conakry, and Kouroussa in the east of the country. During the 2014–2016 Ebola epidemic Guinea's health system was severely damaged and it has yet to fully recover. This is why, in 2019, MSF continued to support the Guinean Ministry of Health to build capacity in its national health system. Our work included improving access to medical services, providing treatment and education for people living with infectious diseases, such as measles and HIV, and preparing communities and strengthening infrastructure for the seasonal malaria peak.

Malaria is a leading cause of medical consultations and deaths in Guinea, especially during the disease's annual peak between June and September. The MSF Kouroussa project is a sustainable response to this. At its heart is a direct engagement with the community. The project supports malaria detection and care at three levels: community engagement, local health centres and Kouroussa hospital. MSF trained and supported community health workers to conduct community awareness-raising exercises, diagnose and treat simple cases of malaria, diarrhoea and malnutrition,

and identify cases that need to be referred to the health centres or hospital. The project team also worked with the main hospital and five health centres to strengthen the prefecture's fragile health system so it could respond to serious cases of malaria.

In Conakry, MSF runs testing, treatment and follow-up services for stable HIV patients through eight health centres. We also provide specialised care for patients with advanced HIV at a 31-bed unit in Donka hospital. Although Guinea has a relatively low prevalence of HIV (at around 1.7 per cent), many people living with HIV face social stigma, and the country has one of the worst rates of treatment coverage in the world. Only one in four people living with HIV receive antiretroviral (ARV) treatment, and those who do have to pay additional medical costs and often find that supplies of ARV drugs are disrupted. Many patients arrive at Donka hospital severely ill, with one or more opportunistic infections related to HIV, such as tuberculosis (TB) or pneumonia. To help them, staff must maintain the delicate balance of rapidly treating infections and rebuilding their immune systems.

In 2019 MSF continued its programme of supplying stable HIV-positive patients with sufficient ARV drugs and viral load testing kits to last six months. Previously they would have had to return to their health centre to replenish their supplies each month. The programme has proven to be an effective way of improving retention rates, helping patients continue with their treatment by reducing travel times and costs.

Democratic Republic of Congo

The Democratic Republic of Congo (DRC) has endured decades of multiple overlapping crises, including armed conflict and widespread disease outbreaks. 2019 was marked by extreme violence, large-scale displacement of communities and far-reaching outbreaks of malaria, cholera, Ebola and measles. In 2019 DRC was MSF's largest mission anywhere in the world. As well as responding to these outbreaks, we provided comprehensive medical assistance, ranging from basic healthcare and nutritional support, to assistance for displaced people, malaria treatment and prevention, treatment and support for survivors of sexual violence, and care for people living with HIV.

By the end of 2019 the latest outbreak of Ebola had infected over 3,000 people and claimed more than 2,000 lives, mostly in the provinces of North Kivu and Ituri. MSF teams across eastern DRC worked hard to treat Ebola patients while extending vaccinations and community engagement. We focused on putting patients and communities first, engaging with them and with existing health centres to identify needs and prioritise activities.

While Ebola made headlines around the world, the main causes of death in eastern DRC remained preventable diseases such as malaria and measles. In 2019 DRC experienced its most severe outbreak of measles in decades and the worst anywhere in the world. According to the World Health Organization (WHO), in 2019 there were over 310,000 cases of measles and over 6,000 deaths.¹ By the end of the year, it had spread to all 26 provinces of the country. There were 9,605 new cases reported in the last week of November alone, the highest number since the start of the year.

MSF teams worked hard to care for patients who had contracted measles. As there is no specific treatment for measles, they concentrated on treating the complications caused by it. Chest infections, especially the most severe form, pneumonia, were treated with antibiotics and diarrhoea was treated with oral rehydration solution. All children with measles were given a preventive dose of vitamin A, which helps prevent complications from developing.

Alongside treating the complications, a well-coordinated vaccination campaign can be very effective in preventing the spread of the virus. However, in the DRC, immunisation coverage is extremely low due

¹ <https://www.afro.who.int/news/deaths-democratic-republic-congo-measles-outbreak-top-6000>

to a lack of vaccines, vaccinators and access to healthcare facilities. There are also logistical challenges in getting the vaccines to their final destinations, as they require strict temperature control. This necessitates refrigerators, generators, fuel and fast transportation.

Throughout 2019 MSF continued to support routine and mass measles vaccination campaigns across DRC. Between January 2018 and October 2019, 1,461,550 children were vaccinated by MSF teams across 54 health zones. MSF also set up surveillance strategies to identify new areas affected by the measles epidemic, in order to start interventions as soon as possible. For example, in Viadana, in the province of Bas-Uélé, a small team went to assess the situation following a rapid increase in the number of cases in early December. In a single school of about 300 children, more than 100 had measles. MSF was able to immediately provide healthcare for these children and organise a vaccination campaign in the area.

In collaboration with the Congolese Ministry of Health, MSF also helped to strengthen measles vaccination activities in areas where the Ebola outbreak continues to spread and, as a result, where vaccination coverage for other diseases has dropped dramatically.

South Africa

South Africa has the highest number of HIV patients of any country in the world. South Africa's HIV programme has approximately five million people currently in treatment. MSF supports new and better ways to treat HIV, and associated TB. MSF has worked with government bodies, communities and campaign groups for many years to improve access to life-saving treatments for diseases, and to guarantee that the cost of drugs is never a barrier to this.

KwaZulu-Natal (KZN) province has been particularly impacted by the HIV epidemic. In April 2011 MSF started a new project in KZN called Bending the Curves with the aim of reducing the levels of HIV and TB infection, and the deaths linked to these.

Working with the KZN Department of Health and local NGOs and communities, Bending the Curves is a community-driven, client-centred model dedicated to increasing the uptake of HIV testing and counselling, and improving access to treatment. The project is built around four areas: prevention through improved condom distribution and male medical circumcision; promoting the importance of getting tested and ensuring greater availability of testing within communities; better adherence to ARV treatment through community health engagement, facility-based adherence clubs and community groups; and enhanced adherence counselling with regular testing of patients' viral loads.

Several of these initiatives are run by lay counsellors, health workers who are qualified to carry out some healthcare services. They provide counselling and trace people who have dropped out of their treatment, and facilitate community models of care in primary healthcare facilities. They also work in community hubs and out of temporary clinics in tents or vans, providing sexual and reproductive health services at busy locations, like schools, taxi ranks and shopping malls.

In 2019 the Bending the Curves project became the first in South Africa to reach the UNAIDS 90-90-90 targets. The results of an MSF Epicentre-supported HIV population survey revealed that 90 per cent of people living with HIV knew their status, 94 per cent of those were on ARV treatment and 95 per cent of people in treatment had a suppressed viral load. This is an incredible milestone along the long journey to controlling the HIV epidemic in South Africa.

Afghanistan

Over 40 years of conflict and instability have left Afghanistan's economy and infrastructure in ruins, and huge numbers of people dependent on humanitarian assistance. Afghanistan has seen conflict, natural disasters, widespread internal displacement, dangerously low health indicators, extreme poverty, and an overburdened and underfunded healthcare system.

In 2019 MSF maintained its focus on providing emergency, paediatric and maternal healthcare across six provinces. The number of people seeking healthcare in MSF's medical facilities continued to grow, as they contended with poverty, insecurity, a severely limited healthcare system and internal displacement worsened by drought.

Southern Helmand province is one of the areas worst affected by the ongoing fighting. In 2009 MSF's project at Boost hospital in Lakshar Gah, the capital of Helmand, began with the aim of revitalising the hospital and delivering quality healthcare, free-of-charge.

In November 2019 MSF commemorated 10 years of supporting Boost hospital. MSF supports departments throughout the hospital, including emergency, surgical, maternity, paediatrics and internal medicine. In 2009 the hospital had 150 beds; by 2019 this had increased to around 400, and the more than 900 staff were caring for thousands of patients every month. Bed occupancy is often at 100% and the number of admitted patients is 30 times what it was a decade ago, growing from around 120 per month in 2009 to an average of 3,500 per month in 2019. Boost hospital now serves approximately one million people. It is the only referral hospital in the province and one of only two referral hospitals run by the Ministry of Public Health in southern Afghanistan.

In 2019 our teams assisted over 17,400 births, performed more than 184,000 emergency room consultations and treated more than 87,000 children, nearly 4,000 for severe acute malnutrition, one of the main causes of child death in the province. In 2019 MSF extended its training and bedside coaching activities with rural healthcare workers to improve early referrals of complicated deliveries and reduce deaths related to late arrivals at the maternity ward.

As well as inflicting physical injuries, the conflict can also prevent people from accessing healthcare. People must deal with landmines, bombs, active fighting and the danger of being caught in crossfire on a daily basis. Just reaching or leaving the hospital can put them at huge risk.

Libya

In 2019 renewed conflict in Libya further exacerbated the suffering of migrants and refugees, trapped there without protection or assistance. According to the UN refugee agency, there are more than 355,000 internally displaced people and nearly 50,000 registered refugees in Libya. Many have been arbitrarily detained in detention centres run by the Libyan authorities or are held in clandestine prisons run by traffickers, out of reach and out of sight. In both, the conditions are dire, with rampant abuse, unsanitary facilities and little or no support. Many detainees attempt to flee across the Mediterranean, only to perish at sea or be intercepted by the UK and EU-funded Libyan coastguard and forced back to Libya.

In 2019 MSF treated many people held in detention centres or who had escaped the prisons. In detention centres in Tripoli, Misrata, Khoms, Zliten and Dhar el-Jebel, MSF teams treated medical complaints resulting from, or aggravated by, the appalling, unhygienic conditions that detainees are forced to live in. The overcrowded facilities do not have enough drinking water, latrines or ventilation, and detainees have little access to medical assistance. Many people have been treated for scabies, lice and fleas, as well as infectious diseases, such as TB, which spread easily in the squalid conditions. In Dhar el-Jebel, MSF started an intervention for 500 people detained in the

centre, after 22 died from TB. MSF also treated detainees for malnutrition and carried out mental health activities, helping people to cope with the trauma of indefinite detention.

In the port areas of Khoms, MSF provided medical care to people who had been forcibly returned to Libya by the coastguard. Many were in shock or suffering from hypoxia and hypothermia. MSF teams gave them water and food, and ran medical screenings to identify the most urgent cases and refer them to hospital for further treatment.

In Bani Walid, MSF provided medical assistance to people who had managed to escape captivity, many of whom had been tortured. They also began antenatal and post-natal care in the Al Medina health centre in Bani Walid town for women from both migrant and host communities.

Throughout 2019 the conflict between the Libyan Government of National Accord and the Libyan National Army (LNA) raged on. In April LNA forces began an assault on Tripoli which placed many detained migrants at huge risk. On 2nd July an airstrike hit the Tajoura detention centre, killing at least 53 people – the deadliest attack on civilians since the start of the conflict. MSF sent ambulances and a medical team to assist survivors, including mental health staff to support people left without shelter and fearing for their lives.

As well as continuing to denounce the unacceptable situation in official and unofficial detention centres and prisons, MSF called on the UN to scale up its intervention in Libya to provide greater protection and assistance for refugees and migrants trapped there. MSF continued to advocate for an immediate end to policies backed by the UK and EU, which aim to trap people in Libya rather than allowing them to flee – in particular via forced returns by the UK and EU-backed Libyan coastguard – and for the evacuation of all migrants and refugees from a country at war to a place of safety.

3. MEDECINS SANS FRONTIERES (UK): STRATEGIC DIRECTION

In 2020 Médecins Sans Frontières (UK) (along with its partner Médecins Sans Frontières Ireland) begins a new strategic period, which will run until the end of 2023. To guide our work during this time, Médecins Sans Frontières (UK) and Médecins Sans Frontières Ireland have created a Strategic Direction document.²

While the Strategic Direction does not capture everything that Médecins Sans Frontières (UK) does or will do, the aspirations within it set out the things that we want and need to change – in ourselves and our work, in MSF’s medical humanitarian programmes, and in the wider MSF movement – to ensure we have greater impact and provide better support to the people that we assist.

As a medical humanitarian organisation and part of the MSF movement, we will continue to respond to new priorities that emerge from our field projects. We will both influence and respond to priorities that are determined by our operational partnerships and the wider movement. We have not tried to capture all of these in this Strategic Direction; they need to co-exist and positively influence each other. The goals outlined in this strategy enable those wider efforts.

Our strategic aspirations by 2023:

- Adopt a more person-centred approach to medical humanitarian work, as a catalyst for change in the way healthcare is provided in humanitarian settings, taking into account the needs and wishes of our patients and their communities, as well as their social and relational context.
- Integrate climate-related analysis and responses into our medical humanitarian programmes and pay more attention to our own contribution to ongoing climate and environmental degradation.
- Be an organisation and part of a movement that values its staff and ensures that all those who work with and for us feel this value in their working lives and are treated with equity and respect.
- Develop a broader supporter base that reaches new supporters and improves retention and engagement with existing ones through more timely and impactful messaging, collaborative communications and fundraising projects, and the development of a wider range of supporter channels, including more activist tactics that can harness their energy and desire for change. Through this work we will increase our annual income to £70.6 million by 2023.
- Optimise working practices to allow space for innovation and testing of new ideas, and better enable collaborative and flexible working.

Our objectives for 2020:

- Provide more comprehensive support to our staff during their time with Médecins Sans Frontières (UK) through improved contracting and induction processes (‘onboarding’) and ongoing learning and development (L&D). Invest in the development of management skills through fit-for-purpose, specific support for line managers.
- Further improve safeguarding and duty of care in Médecins Sans Frontières (UK) by better integrating safeguarding training into regular business processes. Through this, staff will feel encouraged and empowered to speak up and challenge poor professional behaviour and managers will feel supported to respond where issues are raised.

² Full details of this can be found here: www.msf.org.uk.

- Develop a stronger foundation for Médecins Sans Frontières (UK)'s ways of working by introducing improved systems and processes and strengthened controls, which are more efficient, allow for greater collaboration and create more time for value-added activities.
- Improve collaboration between departments and offices to maximise the potential of different supporter groups. Galvanise this by increasing our capacity for supporter care to foster donor loyalty and lifetime value, and by launching a campaign that has a measurable impact on public opinion or government policy.
- Begin a successful start-up phase for Médecins Sans Frontières (UK)'s role in improving MSF's ability to recognise and respond to the humanitarian health consequences of climate breakdown, including recruitment of a Climate and Environmental Health Adviser.
- Improve how we use our physical office space to create an environment that is fit for our current and future purposes, and which enables collaborative working.
- Contribute to making Médecins Sans Frontières (UK) a more inclusive, representative, engaged organisation by ensuring that our recruitment, reward and L&D policies and practices are fair and transparent, and our workplace is welcoming for all staff. Further strengthen this by promoting field capacity-building initiatives, such as the LEAP programme and the Global Health and Humanitarian Medicine course.

Key metrics for 2020:

- In 2020 Médecins Sans Frontières (UK) plans to raise £56.7 million to fund the MSF movement's medical humanitarian programmes.
- In 2020 Médecins Sans Frontières (UK) intends to place 190 UK field staff in the MSF movement's medical humanitarian programmes.

Operational Centre Amsterdam: Strategic Orientation 2020–2023

As a partner within Operational Centre Amsterdam (OCA), Médecins Sans Frontières (UK) works to advance OCA's strategic objectives. In 2020 OCA also begins its new strategic period. Its ambition is that, by 2023, the people OCA assists through its field projects will receive dignified, safe and effective care, with the risk of harm to them reduced to a minimum through a person-centred approach to medical practice.

OCA will more proactively recognise the resilience, ability and agency of those they assist, and will strengthen their engagement with them. OCA will create space for affected communities to have a voice and will listen to what they say, where possible amplifying their voices to effect broader positive change.

OCA will develop its programmes and operating models to better meet medical humanitarian needs by exploring new ways to learn from field experiences and applying these to improve how they work. They will seek out alliances, collaborations and partnerships that support improved humanitarian and health outcomes for the people MSF assists, while strengthening sustainable local capacity.

By 2023 OCA will be a global partnership within which all staff are valued and respected, and where nobody faces structural barriers to communication, mobility or professional development. Its leadership will be representative of MSF's global workforce, bringing with it a diversity of thought and perspective. Alongside this, senior leadership in regional hubs will connect with local networks to deepen engagement, knowledge and the ability to influence. OCA will embrace its global capacity in support of MSF's social mission.

4. MEDECINS SANS FRONTIERES (UK): ACHIEVEMENTS AND PERFORMANCE

Fundraising activities³

Médecins Sans Frontières (UK)'s fundraising approach is focused on using MSF staff and patient testimonials to bring our supporters close to the medical humanitarian work that their generosity makes possible. We take great care to maximise the proportion of every donation that is spent on our humanitarian work and occasionally make appeals for additional support. In 2019 we raised £8.24 for each pound we invested in generating funds.

We strive to provide the highest standard of service to the private individuals and donor organisations that fund Médecins Sans Frontières (UK). We work with an independent panel of 'mystery shoppers' to evaluate the service we provide to supporters, while continually striving to make improvements in response to the feedback we receive. In 2019 we achieved joint first place for the overall experience we provide to our donors in the THINK Stewardship Tracker, when compared to 27 other charities.⁴

Médecins Sans Frontières (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 Médecins Sans Frontières (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. We also encourage our partners to participate in the training that we provide to our field teams. This approach helps us meet our supporters' wishes and interests.

A complaints procedure in the fundraising team records and responds appropriately to any complaints. We also adhere to a vulnerable persons policy in relation to fundraising. In 2019 we received and responded to 39 complaints (2018: 14) in relation to our fundraising activities.

We periodically talk with supporters across the UK to better understand their needs and motivations. In 2019 we held events in Brighton, Exeter, Glasgow, London and Norwich. These enabled us to share the first-hand experiences of our field staff with our donors, while at the same time learning from discussions with the people who fund our life-saving work.

Our supporters have defined our approach to fundraising. Comments, suggestions and ideas – by letter, telephone and email – are highly valued and encouraged. A key result of this is that we send appeals to our donors far less frequently than is common practice, and we have never allowed other charities access to our supporters' details. Our focus is on sharing the testimonies and stories of the communities that MSF serves and the staff whose work is made possible thanks to our supporters.

Statement of trustee duties with reference to Section 172 of the Companies Act 2006

The Médecins Sans Frontières (UK) trustees consider that they have complied with their duties in regard to Section 172 of the Companies Act 2006 by ensuring the success of the organisation to achieve its charitable purpose: supporting MSF's medical humanitarian work.

³ Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. For more information on this, please see section 7, 'Fundraising income and costs of generating funds'.

⁴ More information in the stewardship tracker can be found here: <https://thinkcs.org/stewardship-tracker/>

Médecins Sans Frontières (UK) is able to achieve its charitable purpose thanks to the relationships we maintain with our stakeholders, including those we care for, our donors and supporters, our suppliers, the public at large, our employees and other parts of the MSF Movement. Our stakeholder groups are well-established given the nature of charitable work. Much of the work to develop these relationships is done by our communications and fundraising teams.⁵ In 2019, however, there was an increased focus on Médecins Sans Frontières (UK)'s relationships with our internal stakeholders, our employees and the wider MSF movement. We specifically considered the needs and wishes of these groups as we made key decisions about our strategic direction and in relation to safeguarding and risk management.

During 2019 the trustees worked closely with Médecins Sans Frontières (UK) employees, through the Management Team and project team, to develop our 2020–2023 Strategic Direction and the new planning, reporting, evaluation and monitoring framework that will underpin it. The trustees agreed to adopt the new Strategic Direction at the end of 2019. The project to develop it focused on a 'bottom up' identification of aims and strategies, where UK staff were consulted on numerous occasions. Their feedback was essential to defining the four pillars of the Strategic Direction. The development of each pillar was undertaken by a working group, which included staff from all levels within Médecins Sans Frontières (UK). Each group considered stakeholders relevant to their pillar. For example, in the 'Ways of Working' pillar a mapping exercise was used to identify internal movement stakeholders, vividly illustrating the nature and complexity of movement relationships. An ambition expressed in our new Strategic Direction is to put structures in place that will encourage more formal and transparent processes, relationships and collaboration. The roll-out of Office 365 during 2019 and 2020 is an important step towards achieving this.

Trustees lent their expert insights to the working groups during key moments of reflection, giving feedback and suggestions and advising on its development to ensure the organisation's strategic aims clearly related to the achievement of our charitable purpose. This involvement ensured that our four-year plan had strong buy-in and engagement from trustees and staff.

The launch of Médecins Sans Frontières (UK)'s Strategic Direction was timed to coincide with new strategies of all partners across the MSF movement. This will create opportunities in the future to better leverage dependencies and relationships across the movement.

In 2019 the trustees spent significant time on the issues of safeguarding and duty of care, both as a group and as part of the newly established Safeguarding and Duty of Care Committee. The Board took a number of key decisions in this area, including the establishment of the Committee, implementation of a safeguarding policy suite, which was approved at the end of 2018, and approval of a new secondment agreement for UK-contracted staff. This work, supported by the Human Resources department and Executive Office, is discussed in greater detail in section 5. The developments made in this area were aimed at both UK-based and field-based staff, and took into consideration the duty we owe to all individuals who the charity comes into contact with, as well as the Charity Commission (our regulator), our employees and the wider MSF movement.

The diverse needs of the movement and the expectations of multiple jurisdictions have at times come into conflict with the requirements of the Charity Commission, and potentially with the expectations of the UK public. The tension created by differing expectations also had an impact on our relationships with the MSF movement. We have worked hard to balance these requirements. Where we have identified a tension we have explained this to both the regulator and our MSF movement colleagues, and found reasonable compromises that are based on putting the needs of our patients and all those we seek to help, as well as the safety and security of our staff around the world, first. The impact of this work is evident in feedback provided in a UK-based staff survey and anecdotal feedback in field staff debrief meetings. Throughout 2020 we will continue to focus on supporting the movement by widely

⁵ More information on their work in 2019 can be found in this section.

sharing the progress we are making on assuring best practice in relation to safeguarding and duty of care to our staff.

Risk and risk management was another meaningful area that the Board focused on in 2019. The trustees agreed an updated and simplified risk management procedure and policy. This work was led by the Executive Office, who consulted with our strategic partner OCA and the MSF International Office. They worked in close collaboration with Board of Trustees and the Management Team, and took into account guidance from our regulator. The new policy and procedure align our approach to risk appetite more closely with OCA and the International Office. Risks are expressed in a consistent and accessible format, which allows like-for-like assessment. The strategic implication of the sum total of the individual risks is therefore more easily identifiable and informed decisions can be made about the apportionment of resources. We are able to more effectively manage threats to our objectives, our reputation and our finances, while creating greater potential for cost savings and the avoidance of waste. For example, by collating our risks differently in 2019, we have gained insight when considering our 2020 risks and identified recruitment and retention of staff as a new priority risk.

Another stakeholder area trustees considered was our suppliers. Médecins Sans Frontières (UK) has a positive engagement with our suppliers assured through transparent and effective relationships fostered within our procurement processes. We assure regular and mutually transparent interactions with our key and critical suppliers, including the benchmarking their services every few years. One of the risks that the Board focused on in 2019 was our over-dependence on strategically important suppliers for our fundraising activities. Trustees scrutinised the Executive's identification of this risk and mitigating factors through an annual deep dive at the Audit and Risk Committee.

Médecins Sans Frontières (UK) achievements

Operational staff

The trustees are grateful to all our field staff, who choose to do vital work often under very difficult conditions.

MSF field projects are primarily staffed by local personnel alongside colleagues recruited internationally. Médecins Sans Frontières (UK) recruits and employs UK residents for MSF projects, who are then seconded to our Operational Centres, which manage MSF activities in the field.

In 2019 Médecins Sans Frontières (UK) filled 197 staff positions in projects around the world. Among the staff working overseas, 71 were in medical doctor positions (including surgeons, anaesthetists, paediatricians and other medical specialists) and the remaining staff were nurses, other para-medical staff, logisticians, administrators and coordinators.

Throughout the year there were, on average, 91 UK-recruited staff members working in MSF field projects, of whom 31 were in positions of management, such as project or medical coordinator.

To better prepare staff for working in complex medical settings, we run an L&D programme, which consists of a Welcome Day induction for outbound staff and a Welcome Back Day for returnees. We continue to promote the availability of psychosocial care to staff returning to the UK and ensured that this was available to everyone who needed it.

Médecins Sans Frontières (UK) runs a leadership course which gives field staff not currently in management or leadership positions the opportunity to develop the relevant skills in advance of their next assignment. Médecins Sans Frontières (UK) field staff also have access to extensive L&D opportunities through the Operational Centres.

Alongside this, we provide our medical field staff with small grants to ensure they keep their medical training up to date and help them to revalidate their medical licenses, so they can continue to practice in the UK when they return.

In 2019 we invested in improved HR information systems and policies for both field and office staff.⁶ A new system for office staff and a significant upgrade to the existing system for field staff will ensure better monitoring of staff costs and more efficient administration, and will strengthen the protection of staff personal data.

The Leadership Education Academic Partnership (LEAP) project completed its first academic year in 2019, with 117 students from across all Operational Centres accepted on to the programme. LEAP is a higher education partnership between MSF, the University of Manchester's Humanitarian Conflict Response Institute and the Liverpool School of Tropical Medicine. It is designed to provide potential medical and non-medical leaders from across MSF with a tailored curriculum and a flexible blended-learning model that combines intensive face-to-face courses in the UK with online modules that can be accessed remotely. LEAP is open to all staff regardless of nationality or country of work. A key principle of the programme is to offer higher education to those who would otherwise have fewer opportunities to access it.

Fifty-two nationalities are represented in the current cohort of students, including 36 low or middle-income countries. Though only one year into the programme, LEAP has already started to collect feedback from students on the positive impact the course is having on their MSF careers.

Advocacy and representation

Refugees and migrants continue to face horrific conditions and systemic abuse in Libyan detention centres, and many of those that choose to flee these perish while crossing the Central Mediterranean. As part of MSF's commitment to speaking out, during 2019 Médecins Sans Frontières (UK) made significant representations to the British Government. During these, we highlighted the consequences of British and European migration policies as witnessed by MSF teams in Libya and on the *Ocean Viking*, the Central Mediterranean search and rescue vessel run in partnership with SOS Méditerranée.

Médecins Sans Frontières (UK) engaged with government ministries and MPs, and held bilateral meetings with senior civil servants. As a result, we succeeded in getting 13 questions asked in parliament, which further highlighted the plight of those we work for and gave them a voice at the highest government level.

Médecins Sans Frontières (UK)'s global health policy advisor provided direct operational support to field teams responding to the Ebola outbreak in DRC, spending time in North Kivu. By coordinating the movement-wide MSF Global Health Actors Network, the health policy advisor led our institutional engagement with international health actors, such as the World Bank and WHO, and our responses to global health issues, such as universal health coverage.

As part of an MSF-wide reflection group, we contributed to discussions on the changing global aid system, our response to protracted crises, and the challenges MSF sees in the implementation of the Humanitarian Development Nexus approach.⁷ Roundtable events were held in London (co-hosted by the Overseas Development Institute) and Berlin to look at how the Nexus is working in practice.

Direct support to our medical humanitarian programmes

Towards the end of 2019 TB PRACTECAL, a clinical research project that aims to find short, tolerable, effective treatments for people with drug-resistant tuberculosis (DR-TB), reached a major milestone.⁸ A sufficient number of patients have now been recruited to enable analysis to decide which treatment groups show real promise and should continue to the end of the trial, and which ones should end. Further inclusion of new patients into the trial is expected to be completed in 2020.

⁶ More information on these can be found in Safeguarding in section 6.

⁷ www.unocha.org/fr/themes/humanitarian-development-nexus

⁸ For more information on TB PRACTECAL: www.msf.org.uk/tb-practecal

In Libya and Russia, Médecins Sans Frontières (UK)'s TB advisors worked with MSF field teams to introduce DR-TB care in detention centres and prisons, where health outcomes had previously been very poor.

In 2019 Médecins Sans Frontières (UK) supported the introduction of person-centred care for HIV treatment in the Central African Republic (CAR) and South Sudan, through the application of the Differentiated Service Delivery approach. Our teams also provided technical and implementation support to field teams in CAR and DRC on community-based care for the management of malaria, combined with diarrhoeal disease and respiratory tract infections. In Malaysia and Jordan, we supported projects treating non-communicable diseases through integrating them into general primary care services.

The social sciences team supported MSF's response to the Ebola outbreak in DRC by combining epidemiology and anthropology in communities to enable a comprehensive public health approach that worked alongside local groups to ensure access and trust in a very challenging setting.

The epidemiology and public health team carried out mortality, nutrition, health and vaccination coverage surveys in several countries. These surveys are now paperless, thanks to the mobile data kits developed by the Geographical Information System and e-Health teams.

In June 2019 Médecins Sans Frontières (UK) launched the fifth Global Health and Humanitarian Medicine (GHHM) UK course and the third GHHM South Asia course, with 150 students across the two sites. The course has seen increased diversity and representation among its cohorts, with half of students working in low- and middle-income countries. With support from the fundraising team, the GHHM course secured funding from two existing donors, setting GHHM on a path towards becoming financially sustainable.⁹

The newly developed Health Information System (HIS) was deployed in 12 countries in 2019, including its first use in francophone countries. This work will be completed in the first half of 2020.

The MSF Scientific Days in London and Delhi continued to draw global audiences, addressing themes including planetary health, new diagnostic tools and clinician support technologies that enable task-shifting. Scientific Days made its first foray into speculative design as well, holding workshops with field and HQ staff where participants could envisage and plan for the humanitarian challenges of the coming decade.¹⁰

Communications

Bearing witness (*témoignage*) to the experiences of our field teams and the patients and communities we support is a core part of MSF's work. We do this to raise awareness of medical crises, to amplify the voices of those we work with and care for, and to drive changes to public opinion and government policy on their behalf. Through effective media engagement, public events, digital communications and social media, Médecins Sans Frontières (UK) achieved a high level of coverage and engagement for our work in humanitarian crises.

Our efforts focused on the worsening situation in DRC, where people faced ongoing violence and fresh outbreaks of Ebola and measles; the conflicts in Nigeria and Yemen; the plight of refugees and migrants risking their lives in the Central Mediterranean and those still trapped in Libya; and the devastating flooding in South Sudan.

In 2019 MSF, and our partners SOS Méditerranée, returned to the Central Mediterranean with a new search and rescue vessel, the *Ocean Viking*. With such a high-profile operation, it was essential that our messaging presented an accurate portrayal of the situation and our work, and reminded our audiences of the humanity of those we rescued. We published numerous articles and worked with

⁹ For more information on GHHM: www.msf.org.uk/global-health-and-humanitarian-medicine-course

¹⁰ For more information on Scientific Days: <https://www.msf.org.uk/msf-scientific-days>

UK newspapers and broadcasters so that the voices and the stories of those we rescued were widely heard. This was an essential action to counter the growing anti-migrant narratives. A key moment for this came with the release of *Human Cargo*, an independent documentary following the *Ocean Viking's* first rescues, which was broadcast by SBS Australia and released through the MSF YouTube channel internationally.¹¹

Alongside this, we shone a harsh light on Libya's network of detention centres. Through photos and testimonies, we showed the deplorable treatment of detained migrants and refugees witnessed by our medical teams. We presented a strong repudiation of the European policies of 'containment' that trapped them there and criminalised those trying to aid them. To mobilise public attention around this, Médecins Sans Frontières (UK) organised a petition calling on the UK government to "support the urgent humanitarian evacuation out of Libya of refugees and migrants held in detention centres" and encouraged supporters to email their MPs about it.

Campaigns and initiatives

MSF campaigns around the world to improve access to healthcare and reduce exclusion from it, with the long-term aim of removing the circumstances which lead to health crises. Often, MSF cannot treat patients because the medicines they need are too expensive or are no longer produced. Sometimes, the only available drugs are highly toxic or ineffective because of a lack of research and development to find better alternatives. As a medical humanitarian organisation, we find it unacceptable that essential medicines are increasingly difficult to obtain, particularly for the most common global infectious diseases.

MSF Access Campaign

In 2019 MSF marked the 20th anniversary of the founding of the Access Campaign, which works to secure access to affordable medicines, diagnostics and vaccines, including promoting their research and development, for people in MSF's care and beyond. In April, the Access Campaign launched a global campaign to demand that Johnson and Johnson lower the price of a critical TB drug (Bedaquiline) to one dollar a day to ensure that more people can access it and to reflect the contributions made by taxpayers and the global scientific and TB community, including MSF, towards its development.

2019 saw two developments in the Access Campaign's efforts to make a pneumonia vaccine more affordable and available. First, MSF was able to access a lower humanitarian price to protect refugee children from pneumonia in Greece, the first such instance in a high-income country. Then the Campaign welcomed regulatory approval of a new, more affordable pneumonia vaccine from an Indian manufacturer, breaking Pfizer and GSK's decades-long stranglehold on the market.

Over the past year, the Campaign continued to highlight the disconnect between the high prices charged by pharmaceutical corporations for medicines that are often the result of years of collaborative work by researchers, clinicians and healthcare providers backed by substantial public funding. At the World Health Assembly in May, the Access Campaign called on governments to end the secrecy that surrounds pharmaceutical and biomedical research, and to take steps to ensure transparency on medicine prices and research and development costs.

Drugs for Neglected Diseases initiative

The Drugs for Neglected Diseases initiative (DNDi) is a not-for-profit drug research and development organisation, co-founded by MSF in 2003 alongside public research institutions from Brazil, France, Kenya, India and Malaysia, to meet the treatment needs of neglected patients. In 2019 DNDi

¹¹ https://www.youtube.com/watch?v=0_d2S2nYyvQ

published a report on its first 15 years, which showed that, as an ‘experiment in innovation’, it has proven that not-for-profit research and development can help develop new drugs for neglected diseases and deliver effective and affordable new treatments for neglected people.¹²

DNDi has been working with its industrial partner, the Indian generics manufacturer Cipla, to develop a fully taste-masked, heat-stable, child-friendly formulation for children living with HIV. The aim is to replace current treatments that are based on bitter tasting syrups, have a high alcohol content and need to be refrigerated. In October 2019 Cipla submitted a new strawberry-flavoured ‘4-in-1’ fixed-dose combination to the US Food and Drug Administration (FDA) for tentative approval. In December Cipla announced that the new HIV treatment will be priced at under one dollar a day for use with children weighing between three and 25 kg. FDA approval is expected in 2020.

In January DNDi published the results of a study conducted with MSF, the University of Gondar and Addis Ababa University, which showed improved outcomes for patients co-infected with leishmaniasis and HIV who were treated with a combination therapy of liposomal amphotericin B and miltefosine. This confirmed results from an earlier MSF programme and could pave the way for a change in treatment guidelines at national and global levels.

Preliminary results from a DNDi study showed that a two-week treatment course of benznidazole for adult patients with chronic Chagas disease had a similar impact and significantly fewer side-effects than the standard eight-week treatment course. This potentially removes one of the major barriers to scaling up treatment of Chagas disease from today’s very low levels, as many people halt their treatment with benznidazole due to the side-effects.

Voluntary help and support

We are grateful to the many volunteers who gave their time to help the Médecins Sans Frontières (UK) office in 2019. During 2019 21 volunteers (excluding trustees) supported the work of the UK office. We are extremely appreciative of their support across all our departments.

Médecins Sans Frontières (UK) Association Take Action for Refugees group

The Médecins Sans Frontières (UK) Association Take Action for Refugees Group (TAG) is an informal, independent group of Association members, which works to improve conditions for migrants and refugees in the UK. TAG does this by working with other organisations to confront harmful policies and support migrants to realise their rights in the context of the so-called ‘hostile environment’, particularly as it relates to access to healthcare. In 2019 the TAG launched a Psychological First Aid training course for volunteers visiting migrants held in immigration detention centres, which will be further developed in 2020.

TAG also raises awareness within the Association about the challenges refugees and migrants face, and how members can help to change these. In 2019 the group ran information nights and training on issues such as migrants’ entitlement to healthcare. Group members also work with partners across the MSF movement to share learning and best practice, and to improve support for vulnerable migrants and refugees.

TAG does not receive funding from Médecins Sans Frontières (UK) and is not overseen by the trustees.

¹² www.dndi.org/wp-content/uploads/2019/10/DNDi_ModelPaper_2019.pdf

5. FOR THE PUBLIC BENEFIT

The principal objective of Médecins Sans Frontières (UK)

The principal objective of Médecins Sans Frontières (UK), as stated in its Articles of Association, is as follows:

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

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.

Médecins Sans Frontières (UK)'s contribution to the MSF movement

Médecins Sans Frontières (UK) is a primary partner of Operational Centre Amsterdam (OCA),¹³ one of the five Operational Centres responsible for the delivery of MSF's medical humanitarian work. OCA is a coordination body made up of five section offices, Médecins Sans Frontières (UK), MSF Holland, MSF Sweden, MSF Canada and MSF Germany, and two branch offices, MSF Ireland and MSF India.¹⁴ 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 programmes and activities sit within the MSF Holland legal entity, which receives all OCA funding and directly manages all OCA field projects and programmes.

In 2019 Médecins Sans Frontières (UK) made grants to MSF Holland (in its role as host of OCA) and MSF Belgium, which hosts Operational Centre Brussels (OCB). OCA and OCB used these funds to implement and continue medical humanitarian projects. The Board of Trustees receives regular reports on the projects that are funded by Médecins Sans Frontières (UK) through participation in the OCA Council and OCB Board, and through field visits and accounts from returning UK field staff.

Médecins Sans Frontières (UK) also made grants to MSF International, which is based within Operational Centre Geneva (see section 6), and to the Access Campaign and DNDi (see section 4).

Executive Director Vickie Hawkins is a member of the OCA Management Team (described in more detail in section 6). Kiran Jobanputra, Head of the Manson Unit, has a seat on OCA's operational platform, which sits within MSF Holland and is the key advisory platform to the OCA operational director. Other members of the Médecins Sans Frontières (UK) Management Team also participate in functional platforms across OCA and the MSF movement, including Donald Campbell, Head of Communications, and James Kliffen, Head of Fundraising.

Médecins Sans Frontières (UK) is an institutional member of MSF International, which has a key coordination role within the MSF movement.

More information on Médecins Sans Frontières (UK)'s activities can be found at www.msf.org.uk.

¹³ The term 'primary partner' is used to describe an MSF section that sends the majority of its funds to a particular Operational Centre.

¹⁴ For an explanation of 'branch offices', see Appendix 1.

Non-operational grants made during the year

In 2019 Médecins Sans Frontières (UK) granted £910,561 (2018: £776,534) to MSF International as a contribution to their coordination work, and £383,015 (2018: £334,698) 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 Médecins Sans Frontières (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

Médecins Sans Frontières (UK) and the MSF movement always strive to make the best possible use of donated funds. We ensure that the maximum possible percentage of our funds is used for the direct provision of medical care and, more broadly, for our social mission. In each country mission, we ensure that our programmes are focused on helping the most vulnerable and most in need. We continually review the impact of our work, both through 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 programme can be more carefully planned and resourced to maximise the effectiveness of its budget and staff. Preventative measures, such as improving water and sanitation or implementing a vaccination campaign, are often prioritised as these can help avoid less effective, more costly responses once an outbreak is underway.

Médecins Sans Frontières (UK) is pleased that during 2019 we were able to commit 88 per cent of our total expenditure to grants and charitable activities (2018: 88 per cent).

MSF International compiles and analyses data from across the MSF movement. Audited data for 2019 were not yet available at the time of writing of this report. However, the 2018 International Financial Report shows that, out of a total global expenditure of €1,608 million, 82 per cent was spent on our social mission, 13 per cent on fundraising and five per cent on management and administration.¹⁵

Principal risks and uncertainties

Médecins Sans Frontières (UK) maintains a detailed risk register. The risk register is reviewed and updated twice a year by the UK Management Team, and then reviewed and approved by the Audit and Risk Committee, the Safeguarding and Duty of Care Committee, and the Board of Trustees. Risks are rated according to the probability of their occurrence and their potential impact on the charity. Policies and strategies are adopted to manage, mitigate and avoid identified risks. The risk register is a living document and the Management Team are responsible for identifying new or changing risks to Médecins Sans Frontières (UK) and escalating these to the Board as appropriate.

The impact of COVID-19

As we write, the COVID-19 pandemic is affecting countries around the world, and poses risks and uncertainties for many organisations, including Médecins Sans Frontières (UK). In line with our Risk Management Policy, the Management Team and the Board of Trustees are working to ensure that continuous assessment of the impact of this global pandemic on our previously identified risks is undertaken. We are considering the relative priority of risks, as well as ensuring that we quickly

¹⁵ More information on this can be found here: www.msf.org/reports-and-finances

identify and respond to any new risks posed. Médecins Sans Frontières (UK) will continue to assess the appropriateness of the policies and strategies we use to respond to identified risks.

While the full repercussions of the pandemic have yet to be seen, Médecins Sans Frontières (UK) is aware that COVID-19 will have an impact on both our finances and our operations, including in the following areas:

- **London office staff.** The current restrictions on movement, and the resulting move of office staff to working from home, represents a significant change in our ways of working. The impacts of this are already being felt, but are not yet fully understood. Médecins Sans Frontières (UK) moved quickly to ensure business continuity in these circumstances and to support staff to the best of our abilities. At the time of writing, it is unknown how long and to what extent these restrictions will remain in force. A significant effort will be required from Médecins Sans Frontières (UK) to ensure that we retain a healthy workforce and promote staff well-being. Actions already taken include increased allowance for paid special leave, suspension of core working hours and increased psychosocial support available to all staff.
- **MSF field projects.** While MSF has dealt with risks to safety of our staff and the communities we work with in previous outbreaks, the global scale of this pandemic is unprecedented and will have an impact on short-term operational decisions. Our operational partners are preparing for outbreaks of COVID-19 in the countries in which we provide medical humanitarian assistance. These preparations may result in a significant increase in operational budgets. In addition, while this is ongoing, it will be more difficult, and potentially more costly, for MSF missions to maintain regular projects, and continue to care for the non-COVID related health needs of vulnerable groups.
- **Staffing of field projects.** Médecins Sans Frontières (UK)'s continued ability to provide UK-contracted field staff for the Operational Centres to deploy to MSF field projects will be impacted in the short-term by the far-reaching travel restrictions in force around the world. Médecins Sans Frontières (UK) is developing new strategies with our operational partners for the redeployment of staff, and is actively planning ahead for when travel restrictions are lifted in the near future to ensure we continue to provide support where it is needed most.
- **Financial sustainability.** As part of their duties, the trustees have considered the financial sustainability of Médecins Sans Frontières (UK) given the potential impact of COVID-19. While MSF's emergency response to COVID-19 may drive an increase in fundraising income in the short term, there may be a fall in income over the medium-term as a result of a weaker UK economy. However, as a result of an active long-term strategy to provide Médecins Sans Frontières (UK) with financial security and flexibility, we are in the fortunate position that our largest source of income is the regular unrestricted giving by our loyal, committed and long-term donors. This is the bedrock of both our financial independence and sustainability. The income we receive from legacies, our second largest source of income, may be reduced in the short term as a result of the COVID-19 pandemic, but is still forecast to deliver long-term growth. There is also the potential for accelerated growth in 2021 and 2022, as the gifts from delayed distributions are shared. In addition, the majority of Médecins Sans Frontières (UK)'s expenditure each year is in the form of grants to the Operational Centres and, through them, to MSF field projects. The level of these grants each year is dependent on our income over the course of that year, which allows inbuilt flexibility in unexpected crises, such as the COVID-19 pandemic.

Risk Management 2019

In our 2018 Annual Report we identified a risk in relation to a shifting and at times uncertain regulatory and legislative environment, which increases the complexity of ensuring compliance (including safeguarding and incident reporting) and managing our activities on a business-as-usual

basis. We are pleased to report that, as of the date of this report, the Charity Commission have closed the regulatory case, opened in 2018, which interrogated our policies and practices, and those of the wider MSF movement, in relation to safeguarding and incident reporting to them.

Our regulatory engagement with the Charity Commission over the course of 2019 was complex and multifaceted. It was focused on the oversight by Médecins Sans Frontières (UK) trustees of field projects managed by legally independent overseas MSF offices. The risk remains on our risk register, but, as a result of the work done since 2018, it is now more specifically focused on the first two risks below related to our responsibilities as an employer and our safeguarding obligations.

In addressing the concerns of the Charity Commission, we made significant and rapid progress in our work to improve Médecins Sans Frontières (UK)'s oversight mechanisms in relation to the resources we direct to the Operational Centres and to ensure that the safeguarding obligations of the Board of Trustees can be fulfilled. We created and implemented a suite of policies related to safeguarding, introduced a policy and process concerning external reporting (including serious incident reporting), and implemented new secondment and grant agreements with the Operational Centres. We also contributed to the implementation of related movement-wide policies on integrity and behaviour.

In 2019 the Management Team prioritised five risks for Médecins Sans Frontières (UK) and undertook more detailed reporting to the Board on these. These were the principal identified risks and our actions in response to them:

- There is a risk that Médecins Sans Frontières (UK) may breach its duty as a responsible employer towards field or office staff, trustees, volunteers or short-term contractors. In addition to the risks inherent to any employer, Médecins Sans Frontières (UK) staff are seconded to multiple locations that are often challenging and sometimes dangerous. This may result in physical or emotional harm, legal action against Médecins Sans Frontières (UK) or loss of trust in Médecins Sans Frontières (UK) as a responsible employer.

Médecins Sans Frontières (UK)'s policies and procedures ensure our duty of care is met and our staff are protected. Comprehensive handbooks are available to office and UK-contracted field staff. A robust pre-departure process for field staff covers essential information and security briefings. A critical incident response team is in place to respond to major incidents.

Together, Médecins Sans Frontières (UK) and the Operational Centres to which it seconds UK field staff ensure security and safety protocols and procedures are in place in field projects. Incidents of serious injury or harm to UK staff are reported as a matter of urgency to Médecins Sans Frontières (UK).

- There is a risk that Médecins Sans Frontières (UK) may fail to comply with its safeguarding obligations, including serious incident reporting to the Charity Commission. This is a result of the challenges facing a complex organisation such as Médecins Sans Frontières (UK), which works with legally independent overseas partners in difficult situations around the world, and the increased focus and scrutiny on safeguarding in the charity sector. Such a failure may result in harm to individuals. It may also have a financial impact due to regulatory action, cause harm to Médecins Sans Frontières (UK)'s reputation and affect our ability to achieve our objectives.

Médecins Sans Frontières (UK) mitigates this risk through ongoing monitoring, both internally and by its solicitors, Bates Wells, who check our compliance against relevant UK laws and regulations, and through ensuring that our Board of Trustees has all the relevant advice and support required to understand their legal obligations.

In 2019 the Médecins Sans Frontières (UK) Board of Trustees established a Safeguarding and Duty of Care Committee. Its purpose is to help foster a safe, open, honest and supportive culture that is receptive to challenge, and to ensure Médecins Sans Frontières (UK)'s compliance with legal and regulatory obligations in relation to safeguarding and duty of care. A

comprehensive suite of policies is in place, encompassing safeguarding, anti-harassment and bullying, whistleblowing, complaints and grievances. Médecins Sans Frontières (UK) has appointed a Lead and a Deputy Safeguarding Officer, and runs mandatory safeguarding training for all UK staff. Médecins Sans Frontières (UK) continues to work closely with the Operational Centres to ensure that the safeguarding obligations of its Board of Trustees can be fulfilled.

- There is a risk that Médecins Sans Frontières (UK) may fail to comply with data protection legislation. This reflects the volume and range of personal data used by Médecins Sans Frontières (UK) and the MSF movement, and the changes and increased scrutiny in this area as a result of the General Data Protection Regulation (GDPR). Other factors include the focus on data protection in the charity sector and the uncertainty around implications of the UK's exit from the European Union. This may result in harm to individuals and damage to Médecins Sans Frontières (UK)'s reputation. It may also have a financial impact due to regulatory and/or individual action, and ultimately impact on Médecins Sans Frontières (UK)'s ability to achieve its objectives.

Médecins Sans Frontières (UK) mitigates this risk through ongoing monitoring, both internally and by its solicitors, Bates Wells, who monitor changes to information governance and data protection regulations against Médecins Sans Frontières (UK) procedures to ensure they continue to be fully compliant. A suite of data protection policies and procedures compliant with GDPR is in place. The Head of the Executive Office is appointed as the senior information risk owner and has been GDPR trained and certified. UK staff receive mandatory data protection training.

- As a result of the complexity and challenges of the modern cyber-security landscape, there is a risk that mitigation and protective measures will not be sufficient to avert a significant malicious attack, which gains or attempts to gain access to Médecins Sans Frontières (UK)'s computer network. This may result in the theft of funds, donor information or employee information, the installation of malware and/or a denial of service, each of which has financial and reputational implications, and may impact on Médecins Sans Frontières (UK)'s ability to achieve its objectives.

In 2018 Médecins Sans Frontières (UK) commissioned a cyber-security audit by an external company, which covered 78 checks across 10 key areas. Following this, recommendations were made and a plan drawn up. Significant work was undertaken in 2019 to mitigate the high priority identified risks, including obtaining additional specialist resources in this area, with a view to the outstanding action items being completed during 2020.

- As a result of the volatility of the UK fundraising environment, there is a risk of Médecins Sans Frontières (UK) being overdependent on external fundraising suppliers, such as companies contracted to process donations or operate a call centre. This might lead to suppliers being unable to meet Médecins Sans Frontières (UK)'s key objectives. There is also a risk of critical donor or financial information being lost externally. This may result in MSF being unable to continue fundraising activities, a breakdown in relationships with our donors and a loss of fundraising revenue.

Procurement and contract management policies, guidance and tools are in place to mitigate this risk. Back-up plans and systems provide seamless alternative routes for direct debit and credit card processing and online donations. These are tested regularly to ensure they are robust. The current fundraising customer resource management (CRM) database, CARE, is now housed in a secure hosting environment. Following a tendering process, a new CRM database has been selected. Significant planning and preparation for this transition was undertaken in 2019, with a view to the project being completed during 2020.

6. STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Médecins Sans Frontières (UK) is a charitable company limited by the guarantee of its members and governed by its Articles of Association. Médecins Sans Frontières (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

The Médecins Sans Frontières (UK) Association describes the company law members of Médecins Sans Frontières (UK). It draws its membership from operational staff, and former office staff and office volunteers who can apply to become members of the Médecins Sans Frontières (UK) Association after they have worked for six months with any part of the MSF movement. At the end of 2019 the Association had 518 members.

Members of the Association commit to ensuring that Médecins Sans Frontières (UK) maintains its focus on the effective delivery of medical care, in accordance with MSF's core principles and values of medical ethics, independence, impartiality, neutrality, accountability and *témoignage*. 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

Association members delegate governance responsibilities to the Board of Trustees. The Board of Trustees ensures that Médecins Sans Frontières (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, a small number 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. For example, our Treasurer was co-opted from outside the Association and, in December 2018, the Board co-opted a trustee with specific safeguarding skills.

The Chair of the Board, Javid Abdelmoneim, has a medical background in line with MSF's governance principles. He is assisted by a Treasurer who chairs the Audit and Risk Committee and acts as Vice-Chair to the full Board, supporting the Chair in his functions. In 2019 the Board met 10 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 training on trustee responsibilities, which is delivered by an external provider.

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

Trustees participate in committees alongside relevant Médecins Sans Frontières (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 Audit and Risk Committee met six times in 2019. At the end of 2019 it was formed of five trustees, including Derek Morgan who joined in June. The Chair of the Board regularly attends as an observer, but is not a voting member of the Committee.

In early 2019 the Board created a Safeguarding and Duty of Care Committee to oversee the governance of our medical humanitarian field work, with a focus on safeguarding. Three trustees sit on this committee: Dal Babu, its Chair, Emma Simpson and Javid Abdelmoneim. It met six times in 2019.

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 Médecins Sans Frontières (UK) staff, and any adjustments to the Médecins Sans Frontières (UK) staff pay structure. Two trustees are part of the Remuneration Committee, which met three times in 2019.

Many trustees also act as 'Board links' to designated departments and teams, including Fundraising, Human Resources and the Manson Unit. As links, trustees work closely with these teams, allowing them to effectively keep the Board up-to-date on key areas of Médecins Sans Frontières (UK)'s work.

Médecins Sans Frontières (UK) and its relationship with the international movement

Médecins Sans Frontières (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, which is made up of people who work or have worked or volunteered for MSF.

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, 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 the 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, Dr Christos Christou. Dr Christou took over this role from Dr Joanne Liu in September 2019.

Médecins Sans Frontières (UK) does not directly manage MSF field projects, which are run by the 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 sharing ideas, discussing matters of strategic importance and helping coordinate the 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, Médecins Sans Frontières (UK) and MSF Ireland are grouped together as one section. As a result, Médecins Sans Frontières (UK) has a close relationship with MSF Ireland, and the two offices share a joint strategic plan for the period 2020–2023. Médecins Sans Frontières (UK) trustee Colin Herrman was co-opted to the MSF Ireland Board of Trustees as Chair in 2019. Laura Heavey was on the Board for 2019 and she is expected to take over as Chair in 2020.

Two Médecins Sans Frontières (UK) trustees sit on the OCA Council, which has an advisory relationship to the Board of MSF Holland. From January to June 2019 this was Javid Abdelmoneim and Tejshri Shah. From June to December, it was Javid and Nicola McLean. Dennis Kerr and Dal Babu sat on the council as observers from January to June and April to July respectively.

Médecins Sans Frontières (UK) trustee Tejshri Shah was selected as Chair of the OCA Council in September 2016. As part of her role as Chair, Tejshri Shah also sat on the International Board. She left both roles in June 2019.

In 2019 Médecins Sans Frontières (UK) Treasurer Damien Régent sat on the OCA Audit Committee, which supports the work of the OCA Council. He also sat on the International Board's Finance and Audit Standing Committee. Nicola McLean sat on the OCA Medical Committee from January to June 2019, after which she was succeeded by UK Trustee Robert Verrecchia. Alongside his role as Chair of the UK Board, Javid Abdelmoneim sat on the OCA Duty of Care and Responsible Behaviour Committee throughout 2019, as did UK trustee Dal Babu.

Javid Abdelmoneim represents Médecins Sans Frontières (UK) on the IGA and is joined by Amanda Weisbaum (elected by Médecins Sans Frontières (UK) Association members) as the second of our two IGA representatives.

Remuneration of trustees

Médecins Sans Frontières (UK) trustees spend significant time preparing for and attending board meetings, participating in committees and conducting field 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 Médecins Sans Frontières (UK) at meetings of the international movement, above and beyond the work they are expected to do for Médecins Sans Frontières (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 our Chair is authorised in our Articles of Association and the principles for that remuneration were approved by the Charity Commission. In May 2017 the Médecins Sans Frontières (UK) Association approved a new set of Articles of Association, which included changes to the rules governing compensation of the Chair.

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 the willingness and time to take on the role. In 2019 Javid Abdelmoneim received £1,977 a month on average for 163 days of work between 1 January and 31 December. This corresponds to a total annual payment of £23,725 for, on average, 3.1 days' work per week. 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 the field

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

Keith Longbone was contracted by Médecins Sans Frontières (UK) to work as a Deputy Head of Mission in Tajikistan and then in South Sudan. Keith worked in Tajikistan from 11 October 2018 until

4 January 2019, for which he was paid £8,390 (including £759 holiday pay and £763 pension). He worked in South Sudan from 21 October 2019 until 20 January 2020, for which he was paid £6,342 (including £0 holiday pay and £577 pension). This field work was not directly related to Keith's UK trustee responsibilities and was disclosed to the Board. The Board can confirm that his recruitment and contract/remuneration were done on an arms' length basis.

Alyson Froud was contracted directly by MSF France to work in the field from November 2018 until February 2019 and then again from November 2019 until February 2020. She was also contracted to work in OCA from April to July 2019.

The Executive

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

Remuneration policy

The policy for remuneration of UK-based staff, including senior managers, is delegated to the Remuneration Committee. At the first meeting of the Remuneration Committee, the remuneration for members of the Management Team and the annual salary adjustment for all Médecins Sans Frontières (UK) staff was discussed, in advance of a Board of Trustees decision. At the second meeting, a recommendation was made to the Board for the remuneration of their Chair. The remuneration policy contains a function grid and a fixed salary scale for office staff, which are modest yet competitive within the humanitarian sector. This is in keeping with a focus on maximising the use of funds for MSF's medical humanitarian programmes.

In accordance with this policy, in 2019 Vickie Hawkins received an annual salary of £84,957 at the year-end (2018: £80,513). This is 3.4 times the salary of our lowest-paid office worker. Six members of the Management Team received salaries between £60,000 and £70,000, with Vickie Hawkins being the only member of staff earning over £80,000 (see note 10, section 10). Our Executive Director is the highest paid employee at Médecins Sans Frontières (UK). They have significant committee responsibilities at the international level and represent Médecins Sans Frontières (UK) on several management committees.

Related parties

Tejshri Shah (from September 2016 to June 2019) and Javid Abdelmoneim (ongoing from May 2017) sat on the OCA Council. Tejshri Shah was selected as Chair of the OCA Council in September 2016. The OCA Council has an advisory relationship to the Board of MSF Holland, as all tangible elements of OCA's programmes and activities sit within the MSF Holland legal entity. In fulfilling her role as Chair of the OCA Council, Tejshri Shah was compensated for her work by MSF Holland. As part of this role, she sat on the International Board.

Médecins Sans Frontières (UK) granted £26.8 million to MSF Holland as part of our commitment to the OCA partnership, £11.5 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 Médecins Sans Frontières (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.

The trustees do not consider that any other person or organisation can be regarded as a related party.

Statement summarising how trustees have engaged with employees and taken account of their interests with reference to Schedule 7, Part 4 of the Companies Act 2006

The trustees are satisfied that the employees of Médecins Sans Frontières (UK) have been fully engaged with and their interests accounted for in the decisions that have been made. Médecins Sans Frontières (UK) is grounded in a culture of consultation that 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 the Médecins Sans Frontières (UK) annual staff surveys and challenge the Management Team to produce action plans that respond appropriately to any staff concerns that are identified. Médecins Sans Frontières (UK), with the full support of the trustees, encourages space for grassroots employee initiatives to thrive, including working groups addressing our London office space and diversity and inclusion (read on in this section for more on this).

Staff at all levels of the organisation were directly involved in the development of the 2020–2023 Strategic Direction. This began with a wide survey of staff ambitions and hopes, on which the strategy was built. The development of each of the four pillars of the Strategic Direction was then led by a broad staff group, including trustees.

One pillar of the Strategic Direction is focused on Valuing People. This commits all staff and trustees at Médecins Sans Frontières (UK) to a vision of an organisation that values its staff and ensures all those who work with and for us – whether in the UK, Ireland or in MSF’s projects – feel this value in their working lives and are treated with fairness and respect. Médecins Sans Frontières (UK) will continue to 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 and its staff. (More details on this can be found below.)

Diversity and inclusion

Throughout 2019 Médecins Sans Frontières (UK) worked hard to further develop a diverse and inclusive working environment. Significantly, 2019 saw the formation of the Diversity and Inclusion Working Group, a grassroots voluntary group with direct links to the Management Team and the Board of Trustees. The purpose of the working group is to help Médecins Sans Frontières (UK) become a more open and inclusive organisation, which celebrates diversity and where all staff feel welcomed, included and valued.

Over the course of the year, the Diversity and Inclusion Working Group ran four diversity and inclusion workshops. The purpose of the workshops is to engage staff in a conversation about diversity and inclusion to help them understand the importance of these in the workplace and the challenges we face in fostering them. The workshops are run by staff members, who volunteer to give up their time for this. Attendees are encouraged to identify and celebrate what makes them diverse and the ways in which they are connected. A key output of the workshops are the suggestions from staff as to how Médecins Sans Frontières (UK) could become more diverse and inclusive. These are discussed by the working group at monthly meetings and are then actioned or passed up to the Management Team where appropriate.

The working group has also supported similar work in other parts of MSF, with a representative from MSF Greece attending one of the workshops and a member of the working group delivering diversity

and inclusion training at OCA in October. As well as the workshops, the Diversity and Inclusion Working Group organised a series of themed events and talks on topics including black history month, mental health and suicide awareness in 2019.

More broadly, Médecins Sans Frontières (UK) continued to run training courses aimed at improving the working environment. These included Promoting Positive Mental Health and Well-being in the Workplace (through which staff can become official i-act practitioners¹⁶), Understanding Unconscious Bias, and Handling Difficult People and Situations.

In 2020 Médecins Sans Frontières (UK)'s diversity and inclusion work will grow in scope and ambition. We will continue with workshops, training courses and events, and will also sign up to the Time to Change Employer Pledge. Time to Change aims to develop the way people think about and act on mental health problems. By signing up to Time to Change, Médecins Sans Frontières (UK) will commit to confronting the stigmas around mental health and to building space in the organisation for issues around it to be openly discussed.

Médecins Sans Frontières (UK) plays a leading role as a vocal advocate for greater diversity and career mobility within the MSF movement. MSF's work in complex humanitarian situations requires that we build the capacity of our field staff, in particular those who are closest to the people we treat. We want to ensure that MSF recognises and values its most talented staff, offering them opportunities for professional development and future leadership roles. Médecins Sans Frontières (UK) is a driving force behind the movement-wide 'People, Respect and Value (Diversity, Equity, Inclusion)' project. This project aims to create an inclusive environment that will allow MSF to foster its staff and develop their potential to help us achieve our core purpose. It will address the structural and cultural barriers that prevent MSF from reaching this goal.

Médecins Sans Frontières (UK) hosts the GHM course and the LEAP programme, which provide flexible career development opportunities for those who would otherwise not have access to them.¹⁷

Responsible behaviour and safeguarding

To protect the people MSF works with and for, it is vital that we have strong, effective responsible behaviour and safeguarding policies and procedures. Our staff and the people we assist should feel encouraged and empowered to speak up and challenge poor professional practice and behaviour. MSF has a code of conduct, backed by training, procedures and behavioural review committees, including confidential reporting mechanisms through which staff can report inappropriate behaviour or abuse.

When we receive reports of abuse by MSF staff, we have processes in place for investigating and dealing with these, with a range of sanctions available, from warnings to suspension or dismissal. We support members of staff that have experienced inappropriate behaviour or abuse as needed, including by providing psychological and medical care, and finding them legal support. The decision to report cases of suspected criminal behaviour where they involve abuse is dependent on the affected individual's wishes and must be done with their agreement.

In 2019 Médecins Sans Frontières (UK) further embedded safeguarding by working with management, staff, trustees and partners across the MSF movement and in the wider humanitarian sector. Our aim is for all staff to understand the issues that underpin safeguarding and to know how to respond to concerns.

To that end, we implemented a suite of safeguarding policies for Médecins Sans Frontières (UK) staff and crafted a new training course to educate and engage employees. In July 2019 a survey recorded

¹⁶ <https://www.i-act.co.uk/>

¹⁷ For more on these, see section 4.

that 74 per cent of staff felt that issues of bullying and harassment are taken seriously by Médecins Sans Frontières (UK) and that there are effective mechanisms for dealing with these. In the same survey, 83 per cent of staff agreed that Médecins Sans Frontières (UK) takes allegations of sexual harassment seriously and 88 per cent understood that the organisation has policies and procedures that deal with discrimination, bullying, harassment and assault. This is a strong foundation for us to build on. By the end of 2019, 90 per cent of staff had attended the new safeguarding course.

Trustee Dal Babu formed and chaired a new Board-level Safeguarding and Duty of Care Committee for Médecins Sans Frontières (UK) staff. The Safeguarding and Duty of Care Committee was established to help the Board foster a safe, open, honest and supportive culture within Médecins Sans Frontières (UK), and to ensure our compliance with legal and regulatory obligations in relation to safeguarding and duty of care. The committee scrutinises cases where issues affect the safety, security and well-being of our staff. It ensures due process, presents challenges to the management teams in the UK and OCA, and considers how to improve safeguarding culture. The committee also considers developments in safeguarding across the charity sector and advocates for the MSF movement to learn lessons from the wider UK and global contexts.

The Safeguarding and Duty of Care Committee is also charged with ensuring that Médecins Sans Frontières (UK) maintains best practices in connection with safeguarding, satisfies its various duties of care, and complies with all relevant legal obligations, including those applicable under International Human Rights Law and relevant national legislation. The committee may commission investigations on behalf of the Board into any matters related to safeguarding and/or duty of care, where these matters may threaten or adversely affect the welfare of individuals, the accomplishment of Médecins Sans Frontières (UK)'s aims and objectives, maintenance of its assets, the reliability of its records and information, its compliance with relevant laws, regulations, policies or governing instruments, and/or its reputation. The committee will continue to push for improvements in responsible behaviour, both in Médecins Sans Frontières (UK) and across the MSF movement.

In 2019 Médecins Sans Frontières (UK) helped to develop a movement-wide behavioural code and continues to engage with MSF's International Platform on Behaviour Working Group. This is a key space to raise issues of appropriate staff behaviour and safeguarding concerns, and to push for movement-wide standards of integrity. As a member of the OCA partnership, we participated in its 2019 integrity review and the further development of its Responsible Behaviour Unit, which has both a preventative and investigative remit. The unit works to educate staff, while providing them with the tools to recognise and challenge poor behaviour, and ensures we meet our own high standards.

Marking our commitment to continuing this work, Médecins Sans Frontières (UK)'s 2020–2023 Strategic Plan highlighted 'safeguarding and duty of care' as a primary objective within its Valuing People pillar. Over the next four years, we will continue to strengthen our safeguarding system and reinforce a culture of responsible behaviour within Médecins Sans Frontières (UK) and the wider MSF movement for the benefit of our staff, the people we assist, our supporters and all those who come into contact with us. Médecins Sans Frontières (UK) will work towards recognition across the MSF movement that common high standards of safeguarding practice are required everywhere we work.

In 2020 Médecins Sans Frontières (UK) will recruit a Safeguarding Lead to build on our progress in the UK and support OCA, particularly in how safeguarding relates to the people we work for in our field projects. By the end of 2020, 95 per cent of new starters will have attended training on safeguarding in their first six months, and 90 per cent of staff will be able to show a confident understanding of our safeguarding policies and reporting mechanisms.

MSF International

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

The International Office (<https://www.msf.org/international-office>) is headed by the International 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; coordinate MSF's response to major emergencies; help develop public positioning around humanitarian crises; and develop 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 give an overview of the MSF movement as a whole. The International Activity Report is a public accountability document detailing MSF's movement-wide activities. It includes a comprehensive overview of MSF's projects around the world, the most significant issues we face and the solutions we implement in order to deliver medical humanitarian aid. The International Financial Report gives an overview of MSF's work internationally and provides transparency and accountability to our stakeholders. These combined accounts represent an aggregation of the financial statements of MSF entities worldwide.

The International Activity Report and International Finance Report are published on the MSF International website (www.msf.org). Printed copies are available on request through the Médecins Sans Frontières (UK) office.

7. FINANCIAL REVIEW

Preparation of accounts on a going concern basis

The trustees consider that the level of ongoing support from committed donors, combined with the unrestricted reserves, secure Médecins Sans Frontières (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 in light of the ongoing COVID-19 pandemic and have concluded that there are no material uncertainties on Médecins Sans Frontières (UK)'s ability to continue as a going concern (see pages 24 to 25 for more details).

Significant events in 2019

Overview

In 2019 Médecins Sans Frontières (UK)'s income totalled £64.6 million, a £7.4 million (13 per cent) increase on our 2018 income of £57.2 million. Ninety-four per cent (2018: 92 per cent) of this income came from donations and legacies, with the rest coming mostly from charitable activities.

In terms of expenditure, Médecins Sans Frontières (UK) spent £59.4 million in 2019 (2018: £56.6 million). Of this, £40 million or 67 per cent (2018: £38.1 million or 67 per cent) was given as grants to other MSF sections, with £38.7 million (2018: £36.4 million) going directly to MSF projects overseas. Excluding grants, Médecins Sans Frontières (UK)'s other charitable activities came to £12.1 million (2018: £11.5 million) and its fundraising activities cost £7.3 million (2018: £7 million).

Fundraising income and costs of generating funds

Médecins Sans Frontières (UK) raised £60.6 million in donations and legacies in 2019 (compared to £52.7 million in 2018). This was a £7.8 million (or 15 per cent) increase in income from the previous year. The main reasons for this are increases in legacy giving and in the donations we received from charitable foundations and trusts.

As in previous years, our most significant source of income in 2019 continued to be committed giving at £19.8 million, an increase of £0.8 million or four per cent over 2018. Regular giving by direct debit and standing order is the bedrock of MSF's financial independence, and provides us with a consistent flow of unrestricted funds that we can allocate where the medical needs are most acute, including in countries receiving with 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 that MSF plays in relieving suffering and in raising public awareness of crises.

Legacies remain the second largest source of income. In 2019 this increased by £5.4 million, or 37 per cent, to £20.1 million. This was due to the receipt of a greater number of high-value legacies during the year. We are also aware of potential future legacy income of £9.7 million (2018: £14.4 million), which does not currently meet the conditions for income recognition under our accounting policies. The other major reason for our increased income results in 2019 is the income we received from charitable foundations and trusts, which increased by £2.2 million or 41 per cent. Ninety-two per cent of our income was unrestricted (2018: 91 per cent), which is especially valuable to MSF as it provides the flexibility to deliver aid where the medical need is greatest.

In 2019 our fundraising costs increased by five per cent to £7.3 million (2018: £7 million). However, we increased our return on investment from 7.5:1 in 2018 to 8.2:1 in 2019. This means that for every £1 spent on fundraising, we raised £8.24.

Charitable activities: Grant-making

In 2019 Médecins Sans Frontières (UK) granted £40 million to other MSF sections, with £38.7 million (2018: £36.4 million) going directly to MSF overseas projects. We were especially pleased to be able to grant £2.3 million more to these in 2019 than in 2018.

Our largest grants in 2019 went to Guinea (£4.9 million), the Democratic Republic of Congo (£3.8 million), South Africa (£3.4 million), Afghanistan (£2.8 million) and Libya (£2.6 million). More details of these grants can be found in note 6 of the accounts. See section 2 for more details of MSF activities in these countries.

In addition to grants for our overseas projects, 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 £0.6 million, or five per cent, to £12.1 million (2018: £11.5 million).

Most of that increase is due to increases in our medical and programme support costs, in particular the first academic year of the LEAP project (see section 4 for more details). On the other hand, we had a decrease in our costs for operational staff and projects due to our planned reduction in operational staff numbers for 2019. This was in part a result of Médecins Sans Frontières (UK)'s efforts to support recruitment hubs elsewhere in the MSF movement with the aim of increasing diversity among MSF's international workforce. The increase in costs for communications reflects a move of relevant costs from medical and programme support to communications to better represent the evolution of those activities.

In terms of other costs, our support and governance costs increased by almost £0.4 million from 2018 as a result of an increased focus on compliance and governance in 2019 (see section 5 for more details). Such costs included legal costs incurred in meeting our regulatory and reporting obligations, and strengthening Médecins Sans Frontières (UK)'s policies, procedures and processes.

We invoice the direct cost of overseas field staff and certain operational projects to other MSF sections with no uplift. This is accounted for in our financial statements as income from charitable activities, making up £4 million in 2019 (2018: £4.5 million).

Reserves

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 UK expenditure (i.e. excluding grants). The trustees believe that this level of reserves is adequate given that 65 per cent of the charity's expenditure is in the form of grants to MSF Holland and MSF Belgium, and grant amounts are only confirmed at the end of the year once we have clarity over our financial results.

In 2019 the Médecins Sans Frontières (UK) office budget was £16.3 million (2018: £15 million). General reserves as of 31 December 2019 stood at £4 million (2018: £4.6 million). This is equivalent to three months' budgeted expenditure, exactly in line with our policy.

Our free reserves are calculated using our general reserves less fixed assets and currently stand at £3.5 million or 2.6 months' office expenditure (2018: £4.1 million or 3.3 months). Note, however, that the trustees have designated a capital fund of £870,000 relating to investments in IT to mitigate any risk to our free reserves (see section below).

Designated reserves

The trustees of Médecins Sans Frontières (UK) 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 of £870,000 being the budgeted capital costs for the implementation of our new CRM and finance systems. Once the systems go live, between 2020 and 2021, depreciation on those systems will be charged to this fund.
- £300,000 designated income from a specific donor to be used as matched funding for our Yemen appeal. This fund was expended during the course of 2019.
- £90,000 designated income from a specific donor to be spent on the GHHM course during the academic year 2019–20. This fund was expended during the course of 2019.

As mentioned, the designated funds for GHHM and Yemen were expended during the course of 2019. The funds containing our accrued legacy income and capital will be carried forward into 2020.

Restricted reserve

This reserve represents donations where the donor has specified the project or emergency to which Médecins Sans Frontières (UK) should apply the funds. In 2019 we gave out in grants almost all the restricted income received during the year.

8. STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

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
- 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 was appointed as the charity's auditors for the year ended 31 December 2019. BDO have expressed their willingness to continue in office. A resolution to re-appoint 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 29 April 2020 and signed on their behalf by



Javid Abdelmoneim (Chair of the Board of Trustees)

9. INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Médecins Sans Frontières (UK) ("the Charitable Company") for the year ended 31 December 2019, 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 UK Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice).

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 2019 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.

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 are independent of the Charitable Company in accordance with the ethical requirements 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: Trustees' Report. The trustees are responsible for the other information.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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.

Matters on which we are required to report by exception

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 determine 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

Gatwick, UK

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

10. FINANCIAL STATEMENTS

Statement of Financial Activities

Incorporating an Income and Expenditure account as required by the Companies Act 2006. The notes on pages 46 to 63 form part of these financial statements.

	Note	2019			2018		
		Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
		£'000			£'000		
Income							
Donations and legacies	3	55,311	5,250	60,561	47,663	5,067	52,730
MSF UK Charitable activities	4	3,992	-	3,992	4,318	137	4,455
Other income							
Interest income		35	-	35	19	-	19
Other		57	-	57	21	-	21
TOTAL		59,395	5,250	64,645	52,021	5,204	57,225
Expenditure							
Fundraising costs	5	7,348	-	7,348	6,993	-	6,993
Charitable activities (grants): -							
Operational grants	6	33,531	5,155	38,686	31,235	5,163	36,398
Other Grants	6	1,294	-	1,294	1,735	-	1,735
MSF UK Charitable activities							
Operational staff and projects	7	5,564	-	5,564	5,717	137	5,854
Medical and Programme support	7	4,773	59	4,832	4,272	-	4,272
Communications		1,693	-	1,693	1,350	-	1,350
TOTAL		54,203	5,214	59,417	51,302	5,300	56,602
Net income/(expenditure) for the year		5,192	36	5,228	719	(96)	623
Fund balances brought forward at 1 January		6,545	12	6,557	5,926	8	5,934
Balance transferred		-	-	-	(100)	100	-
Fund balances carried forward at 31 December		11,737	48	11,785	6,545	12	6,557

Balance Sheet

As of 31 December

The notes on pages 46 to 63 form part of these financial statements.

		<u>2019</u>	<u>2018</u>
	Note	£'000	£'000
Fixed Assets			
Tangible assets	11	<u>533</u>	<u>466</u>
Current Assets			
Debtors	12	10,504	7,441
Cash		<u>12,586</u>	<u>9,952</u>
		23,090	17,393
Current Liabilities			
Creditors: Amounts falling due within one year	13	(11,838)	(11,302)
		<u>11,252</u>	<u>6,091</u>
Net Current Assets			
		<u>11,252</u>	<u>6,091</u>
NET ASSETS			
		<u>11,785</u>	<u>6,557</u>
FUNDS			
Unrestricted			
General	14	4,020	4,603
Designated	14	<u>7,717</u>	<u>1,942</u>
Total Unrestricted	14, 15	11,737	6,545
Restricted	14, 15	<u>48</u>	<u>12</u>
		<u>11,785</u>	<u>6,557</u>

These financial statements were approved by the trustees on 29 April 2020 and were signed on their behalf by:



Damien Régent
Treasurer



Javid Abdelmoneim
Chair

Cash Flow Statement

<i>As at 31 December</i>		
	<u>2019</u>	<u>2018</u>
	£'000	£'000
Cash inflow/(outflow) from operating activities	2,840	(7,827)
Cash flow from investing activities		
Interest received	35	19
Purchase of Fixed Assets	<u>(241)</u>	<u>(63)</u>
	(206)	(44)
Increase/(decrease) in cash in the year	<u>2,634</u>	<u>(7,871)</u>
Cash balance at 1 January	<u>9,952</u>	<u>17,823</u>
Cash balance at 31 December	<u><u>12,586</u></u>	<u><u>9,952</u></u>

The notes on pages 46 to 63 form part of these financial statements.

Reconciliation of net expenditure to operating cash flow		
	2019	2018
	£'000	£'000
Net income	5,228	623
Bank interest	(35)	(19)
Depreciation charge	174	250
Decrease in debtors	(3,063)	(1,573)
Increase/(decrease) in creditors	<u>536</u>	<u>(7,108)</u>
	<u><u>2,840</u></u>	<u><u>(7,827)</u></u>

11. NOTES TO THE FINANCIAL STATEMENTS

1. Legal status

Médecins Sans Frontières (UK) is a registered charity and a company limited by guarantee. 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 of 31 December 2019 the charity has 518 (2018: 509) 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 and accounting estimates/areas of judgement

The financial statements have been prepared under the historic cost convention in accordance with the Charities Statement of Recommended Practice (SORP 2015) and in accordance with the Financial Reporting Standard 102 (FRS 102) and the Companies Act 2006.

The Board have reflected on the charity's operational and financial risk in light of the ongoing COVID-19 pandemic and have concluded that there are no material uncertainties on Médecins Sans Frontières (UK)'s ability to continue as a going concern. Our largest source of income is regular and committed giving by individuals, the vast majority of which is unrestricted: this forms the bedrock of our financial independence and sustainability. The income we receive from legacies, our second largest source of income, may be reduced in the short term as a result of the COVID-19 pandemic, but is still forecast to deliver long-term growth. In addition, the majority of Médecins Sans Frontières (UK)'s expenditure each year is in the form of grants to the Operational Centres and, through them, to MSF field projects. The level of these grants each year is dependent on our income over the course of that year, which allows inbuilt flexibility in unexpected crises, such as the COVID-19 pandemic.

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 done based on a full-time equivalent headcount
- b) Legacy income is recognised when Médecins Sans Frontières (UK) has confirmation of entitlement, can reliably estimate the amount due and considers receipt to be probable. Where Médecins Sans Frontières (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, Médecins Sans Frontières (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, after settling any liabilities, to pay the legacy, 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 Médecins Sans Frontières (UK) is entitled to it, receipt is probable and the amount can be measured. Income from donations includes Gift Aid where appropriate.

Legacies – See estimate/judgement used in the above section.

Charitable income – Income due from MSF entities for the recruitment and remuneration of staff working in medical humanitarian 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, it is probable and can be measured reliably. For allocation of overhead costs, see estimate/judgement used in the above section.

Taxation

Médecins Sans Frontières (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 – These consist of donations and other income that are available for use without any restrictions. They are available for general use to further the objectives of the charity at the trustees' discretion.

Designated Funds – Médecins Sans Frontières (UK) has used the following designated funds during 2019:

- Accrued legacy income designated to operational programmes upon receipt.
- Capital fund of £870,000 being the budgeted capital costs for the implementation of the new CRM and Finance systems. Once the systems go live between 2020 to 2021, depreciation on those systems will be charged to this fund.
- £300,000 designated income from a specific donor to be used as matched funding for our Yemen appeal. This fund was expended during the course of 2019.
- £90,000 designated income from a specific donor to be spent on the GHM course over academic year 2019-20. This fund was expended during the course of 2019.

Restricted Funds – These consist of donations and other income that are subject to specific restrictions imposed by donors or by the purpose of the appeal under which they were raised.

Assets and Liabilities

Tangible Fixed assets

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

- Furniture and office equipment: 5 years
- Computer hardware: 5 years
- Computer software: 4 years
- Structural alterations: Over the period of the lease

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 depreciated when the assets are put into use.

Financial instruments

Financial instruments are financial assets, which comprise cash and debtors, and financial liabilities, which comprise creditors, measured at transaction price less the 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. Médecins Sans Frontières (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 profit and loss account 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

	2019			2018		
	Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
	£'000			£'000		
Committed and regular donations by individuals	19,705	128	19,833	18,859	140	18,999
Income from appeals	6,480	1,535	8,015	7,392	1,356	8,748
Legacies	20,100	1	20,101	14,564	150	14,714
Grants received from charities and trusts	4,481	3,265	7,746	2,363	3,134	5,497
Sponsorship, events, collections, uncommitted individual donations	2,382	126	2,508	2,553	163	2,716
Donations from companies & corporations	2,163	195	2,358	1,932	124	2,056
TOTAL	55,311	5,250	60,561	47,663	5,067	52,730

Médecins Sans Frontières (UK) is aware of potential future legacy income estimated at £9.7m (2018: £14.4m). However, Médecins Sans Frontières (UK) does not deem these items to fulfil all the conditions necessary for income recognition.

4. Income from charitable activities

Médecins Sans Frontières (UK) recruits operational staff, both medical and non-medical, whom we second to MSF Operational Centres. The Operational Centres run medical humanitarian projects and programmes around the world and reimburse Médecins Sans Frontières (UK) for the costs associated with the recruitment and employment of operational staff. However, Médecins Sans Frontières (UK) does not manage field projects or operations.

Médecins Sans Frontières (UK) implements projects and employs staff for which we receive primary purpose income either from other MSF sections or from the public.

	2019			2018		
	Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
	£'000			£'000		
Staff supplied to operational activities	2,949	-	2,949	3,309	-	3,309
Operational projects	1,043	-	1,043	1,009	137	1,146
TOTAL	3,992	-	3,992	4,318	137	4,455

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.

	<u>2019</u>	<u>2018</u>
	£'000	£'000
Fundraising costs	6,984	6,752
Allocation of general support costs	364	241
TOTAL	<u>7,348</u>	<u>6,993</u>

6. Charitable activities (grants)

Operational Grants

MSF Operational Centres are responsible for medical humanitarian programmes in 72 countries. Médecins Sans Frontières (UK)'s grants to the Operational Centres have been grouped by country in the table below. These operations are not managed by Médecins Sans Frontières (UK). See section 2 for more details on the main programmes that we support.

	<u>2019</u>	<u>2018</u>
	£'000	£'000
Grant recipient		
MSF Holland	26,785	25,479
MSF Belgium	11,479	10,919
MSF France	422	-
TOTAL	<u>38,686</u>	<u>36,398</u>

6. Charitable activities (grants) (continued...)

Operational Grants

	2019			2018		
	Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
	£'000			£'000		
Main programmes						
Afghanistan	2,785	-	2,785	2,180	20	2,200
Democratic Republic of the Congo	2,977	832	3,809	3,798	945	4,743
Guinea	4,852	-	4,852	2,646	139	2,785
Libya	2,003	635	2,638	777	23	800
South Africa	3,407	-	3,407	-	-	-
SubTotal	16,024	1,467	17,491	9,402	1,127	10,527

6. Charitable activities (grants) (continued...)

Operational Grants

	2019			2018		
	Unrestricted	Restricted	TOTAL	Unrestricted	Restricted	TOTAL
	£'000			£'000		
Other programmes						
Bangladesh	1,505	395	1,900	2,031	1,051	3,082
Central African Republic	500	-	500	-	-	-
Chad	100	-	100	250	-	250
Ethiopia	300	-	300	1,000	-	1,000
Haiti	200	-	200	1,358	90	1,448
HIV projects	-	-	-	248	2	250
India	1,100	-	1,100	1,095	5	1,100
Indonesia	-	-	-	35	6	41
Iraq	1,499	1	1,500	883	17	900
Jordan	798	2	800	1,097	3	1,100
Lebanon	-	87	87	10	88	98
Mozambique	1,278	465	1,743	1,500	-	1,500
Myanmar	1,473	127	1,600	2,100	-	2,100
Nigeria	1,296	176	1,472	1,337	169	1,506
Pakistan	1,000	-	1,000	1,500	-	1,500
Search and Rescue	-	-	-	274	26	300
Sierra Leone	600	-	600	456	-	456
Somalia	998	2	1,000	-	100	100
South Sudan	1,779	412	2,191	2,783	226	3,009
Syria (Appeal & Crisis)	1,986	614	2,600	676	1,074	1,750
Turkey	-	-	-	300	-	300
Ukraine	-	-	-	1,245	-	1,245
Uzbekistan	900	-	900	100	-	100
Yemen	115	1,385	1,500	397	1,003	1,400
Zimbabwe	-	2	2	1,159	176	1,335
Venezuela	80	20	100	-	-	-
Subtotal	17,507	3,688	21,195	21,834	4,036	25,871
TOTAL GRANTS	33,531	5,155	38,686	31,235	5,163	36,398

6. Charitable activities (grants) (continued...)

Other Grants

	<u>2019</u>	<u>2018</u>
	£'000	£'000
MSF International		
Strategic Activities	911	777
Access Campaign	224	192
Drugs for Neglected Diseases Initiative	159	142
MSF Ireland		
Fundraising support	-	624
TOTAL	<u>1,294</u>	<u>1,735</u>

7. Médecins Sans Frontières (UK) charitable activities

Médecins Sans Frontières (UK)'s expenditure includes our charitable activities, which contribute to the medical humanitarian programmes 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.

	<u>2019</u>	<u>2018</u>
	£'000	£'000
Operational staff and projects		
Operational Staff	2,949	3,309
Operational Staff support	1,471	1,346
Operational projects	888	1,016
Allocation of general support costs	<u>256</u>	<u>183</u>
	<u>5,564</u>	<u>5,854</u>
Medical and Programme support		
Salaries, expenses and office costs	4,406	3,949
Allocation of general support costs	<u>426</u>	<u>323</u>
	<u>4,832</u>	<u>4,272</u>
Communications		
Salaries, expenses and office costs	1,454	1,204
Allocation of general support costs	<u>239</u>	<u>146</u>
	<u>1,693</u>	<u>1,350</u>
TOTAL MSF UK CHARITABLE ACTIVITIES	<u><u>12,089</u></u>	<u><u>11,476</u></u>

The increase in medical and programme support is due to the costs of the LEAP project's first academic year (see page 19 for more details). The increase in communications costs is due to our moving relevant costs from medical and programme support to communications, as a better reflection of the evolution of those activities. The reduction in operational staff and projects costs is mostly due to a reduction in operational staff numbers and their associated costs (see note 10 on staff numbers).

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 finance and executive management.

Governance costs are the remuneration of trustees (see below), permissible expenses, and meeting and secretarial costs. In 2019 we have also included £249,000 of legal costs that we consider strategic in nature, most of which we do not expect to reoccur. These costs reflect the complexity of our regulatory and reporting obligations and the need for Médecins Sans Frontières (UK) trustees to further formalise our relationship with our partners in the MSF movement and to make significant investments to improve Médecins Sans Frontières (UK) policy, procedure and process (see pages 25 to 26 for more details).

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

	<u>2019</u>	<u>2018</u>
	£'000	£'000
Support costs		
General support costs	942	801
Governance costs	<u>343</u>	<u>92</u>
	<u>1,285</u>	<u>893</u>
Allocation to Fundraising & MSF UK Charitable activities		
Fundraising support	364	241
Operational Staff support	256	183
Medical & Programme support	426	323
Communications support	<u>239</u>	<u>146</u>
	<u>1,285</u>	<u>893</u>

Trustees' remuneration, expenses and donations

Governance costs include the remuneration of Javid Abdelmoneim (from 1 January to 31 December 2019) as Chair. Javid Abdelmoneim was paid £23,725 for 163 days of work (2018: £15,480 for 126 days). The increase in the number of days worked was due to additional compliance and oversight duties relating to Médecins Sans Frontières (UK)'s relationship with the wider MSF movement. 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. Javid Abdelmoneim received a fixed monthly retainer in compensation for the time spent fulfilling his Chair duties above that of other trustees. No other trustee received compensation for their role as trustee.

8. Support and governance costs (continued...)

Keith Longbone was paid £7,067 (plus £519 NI and £707 pension) for two field assignments in 2019; the first from 1 to 4 January 2019 and the second from 21 October to 31 December 2019. The work he conducted was not directly related to his trustee responsibilities and was disclosed to the Board. Médecins Sans Frontières (UK) trustees are permitted by the Charity Commission and Médecins Sans Frontières (UK)'s Articles of Association to work for a maximum of three months a year on standard field assignment contracts. The Board confirmed that his recruitment and contract/remuneration were done on an arms' length basis.

During the year, the equivalent of 11.7 trustees were reimbursed £24,233 for directly incurred expenses on Médecins Sans Frontières (UK) business (2018: £22,407 to 11.5 trustees). Trustees' expenses comprise principally the cost of international travel to attend governance meetings in the UK and overseas to other MSF entities, and to visit MSF projects worldwide.

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

	<u>2019</u>	<u>2018</u>
	£'000	£'000
Auditor's remuneration for statutory audit	24	23
Auditor's remuneration for other services	2	2
Exchange gains/(losses)	(43)	(5)

10. Staff numbers and costs

The total number of employees throughout the year was:

	<u>2019</u>	<u>2018</u>
Operational staff working overseas in MSF projects	294	325
Recruitment and support of operational staff	25	30
Fundraising	32	31
Medical & Programme support	38	32
Communications	19	29
Support and governance	25	25
TOTAL	<u>433</u>	<u>472</u>

10. Staff numbers and costs (continued...)

The average number of employees throughout the year was:

	<u>2019</u>	<u>2018</u>
Operational staff working overseas in MSF projects	97	112
Recruitment and support of operational staff	18	18
Fundraising	25	24
Medical & Programme support	30	28
Communications	17	19
Support and governance	16	13
TOTAL	<u>203</u>	<u>214</u>

The costs of employing staff during the year were:

	<u>2019</u>	<u>2018</u>
	£'000	£'000
Wages & salaries	7,008	6,809
Social security costs	766	857
Pension costs	780	689
TOTAL	<u>8,554</u>	<u>8,355</u>

The reason for the decrease in average employee numbers is mostly due to a reduction in operational staff between 2018 and 2019. This is a planned decrease in line with Médecins Sans Frontières (UK)'s strategic objective to focus the movement's efforts on new recruiting offices, for example in Tunisia and Jordan, as part of our move towards a more diverse workforce. It should be noted that both average non-operational staff numbers and total staff costs have increased between the years. This is due to additional resourcing around our medical and programme support, and support and governance (see notes 7 and 8 for more details).

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

	2019	2018
Between £60,000 and £70,000	6	3
Between £70,000 and £80,000	0	0
Between £80,000 and £90,000	1	1

10. Staff numbers and costs (continued...)

In 2019 employer contributions to defined contribution pension schemes on behalf of staff paid over £60,000 amounted to £47,478 (2018: £26,000).

Executive Director Vickie Hawkins is the highest paid employee of Médecins Sans Frontières (UK) with total compensation (excluding pension costs) of £84,957. The remaining employees with total compensation over £60,000 are all members of Médecins Sans Frontières (UK)'s Management Team, who are judged to be key management personnel. See page 31 for Médecins Sans Frontières (UK)'s remuneration policy.

The total employee benefits, excluding pension scheme contributions, of the Management Team were £645,146 (2018: £478,297). This increase is due to an increase in the number of employees who form the Management Team. There were 11 members of the Management Team in 2019 compared with eight in 2018, or 11 full-time equivalents in 2019 against 7.8 in 2018.

11. Tangible fixed assets

	Furniture & Equipment	Computer Hardware	Computer Software	Structural Alterations	Assets under Construction	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At beginning of period	189	452	324	574	-	1,539
Additions	1	73	3	5	159	241
TOTAL	<u>190</u>	<u>525</u>	<u>327</u>	<u>579</u>	<u>159</u>	<u>1,780</u>
Depreciation						
At beginning of period	155	310	198	410	-	1,073
Charge for the period	21	40	85	28	-	174
TOTAL	<u>176</u>	<u>350</u>	<u>283</u>	<u>438</u>	<u>-</u>	<u>1,247</u>
Net book value						
At beginning of period	34	142	126	164	-	466
At end of period	<u>14</u>	<u>175</u>	<u>44</u>	<u>141</u>	<u>159</u>	<u>533</u>

12. Debtors

	<u>2019</u>	<u>2018</u>
	£'000	£'000
MSF Entities	1,361	1,784
Legacies receivable	6,847	1,942
Other debtors	1,969	3,408
Prepayments	327	307
TOTAL	<u>10,504</u>	<u>7,441</u>

'MSF Entities' relate to the entities that make up the worldwide MSF movement (see Appendix 1 for more details). The £4.9m increase in legacies receivables is primarily due to the accrual of two large legacies totalling £3.1m.

13. Creditors: amounts falling due within one year

	<u>2019</u>	<u>2018</u>
	£'000	£'000
MSF Entities	8,015	7,900
Tax and social security	202	288
Deferred income	1,537	1,246
Accruals	1,612	1,523
Other creditors	472	345
TOTAL	<u>11,838</u>	<u>11,302</u>

'MSF Entities' relate to the entities that make up the worldwide MSF movement (see Appendix 1 for more details). £7.8m of the £8m creditor balance to MSF Entities relate to grants due to MSF sections (see note 6). The remaining balance relates to intra-sectional transactions.

Note that we received £1.54m of income in 2019 that was deferred due to the terms and conditions of the grants. See below for the movement in 2019:

<u>1 January 2019</u>	<u>Released</u>	<u>New Income Deferred</u>	<u>31 December 2019</u>
£'000	£'000	£'000	£'000
1,246	(1,246)	1,537	1,537

14. Movements in funds

	<u>1 January 2019</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>31 December 2019</u>
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds					
General fund	4,603	52,158	(53,813)	1,072	4,020
Designated fund - Legacies	1,942	6,847	-	(1,942)	6,847
Designated fund Yemen Appeal	-	300	(300)	-	-
Designated fund GHHM	-	90	(90)	-	-
Designated fund Capital Projects	-	-	-	870	870
Subtotal	<u>6,545</u>	<u>59,395</u>	<u>(54,203)</u>	<u>-</u>	<u>11,737</u>
Restricted funds					
Bangladesh	-	395	(395)	-	-
Democratic Republic of the Congo	-	832	(832)	-	-
Iraq	-	1	(1)	-	-
Jordan	-	2	(2)	-	-
Lebanon	-	87	(87)	-	-
Libya	-	636	(635)	-	1
Mozambique	-	465	(465)	-	-
Myanmar	-	127	(127)	-	-
Nigeria	-	176	(176)	-	-
Somalia	1	2	(2)	-	1
South Sudan	-	412	(412)	-	-
Syria Crisis	-	614	(614)	-	-
Venezuela	-	20	(20)	-	-
Yemen	-	1,385	(1,385)	-	-
Zimbabwe	-	2	(2)	-	-
Other	11	94	(59)	-	46
Subtotal	<u>12</u>	<u>5,250</u>	<u>(5,214)</u>	<u>-</u>	<u>48</u>
TOTAL FUNDS	<u><u>6,557</u></u>	<u><u>64,645</u></u>	<u><u>(59,417)</u></u>	<u><u>-</u></u>	<u><u>11,785</u></u>

See note 2 for details of the designated funds for 2019. Note that the restricted fund 'Other' is principally made up of funding for the GHHM project (see page 20). This funding covers the academic year 2019–2020.

14. Movements in funds (continued...)

See below for prior year comparatives

	<u>1 January 2018</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>31 December 2018</u>
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds					
General fund	4,777	50,104	(51,302)	1,024	4,603
Designated fund - legacies	<u>1,149</u>	<u>1,917</u>	<u>-</u>	<u>(1,124)</u>	<u>1,942</u>
Subtotal	<u>5,926</u>	<u>52,021</u>	<u>(51,302)</u>	<u>(100)</u>	<u>6,545</u>
Restricted funds					
Afghanistan	-	20	(20)	-	-
Bangladesh	-	1,051	(1,051)	-	-
Democratic Republic of the Congo	-	945	(945)	-	-
Guinea & HIV Projects	-	139	(139)	-	-
Haiti	-	90	(90)	-	-
HIV projects	-	2	(2)	-	-
Iraq	-	17	(17)	-	-
Jordan	-	3	(3)	-	-
Lebanon	-	88	(88)	-	-
Libya	-	23	(23)	-	-
Migration in Europe	-	26	(26)	-	-
Nigeria	-	169	(169)	-	-
Somalia	-	1	(100)	100	1
South Sudan	-	226	(226)	-	-
Syria Crisis	-	1,074	(1,074)	-	-
Yemen	-	1,003	(1,003)	-	-
Zimbabwe	-	176	(176)	-	-
UK projects	-	137	(137)	-	-
Other	8	14	(11)	-	11
Subtotal	<u>8</u>	<u>5,204</u>	<u>(5,300)</u>	<u>100</u>	<u>12</u>
TOTAL FUNDS	<u><u>5,934</u></u>	<u><u>57,225</u></u>	<u><u>(56,602)</u></u>	<u><u>-</u></u>	<u><u>6,557</u></u>

15. Analysis of net assets between funds

	2019			2018		
	Fixed Assets	Current Assets	TOTAL	Fixed Assets	Current Assets	TOTAL
	£'000			£'000		
Unrestricted funds	533	11,204	11,737	466	6,079	6,545
Restricted funds	-	48	48	-	12	12
TOTAL	533	11,252	11,785	466	6,091	6,557

16. 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:

	2019	2018
	£'000	£'000
No later than one year	427	427
Later than one year and not later than five years	1,709	1,709
Later then five years	35	463
TOTAL	2,171	2,599

During the year, operating lease payments totalled £412,470 (2018: £476,442).

17. 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 £779,700 (2018: £688,637). The cost is accounted in the year it arises with £12,484 outstanding as of 31 December 2019 (2018: £97,300).

18. Related Party transactions

MSF Enterprises is a fully owned subsidiary of Médecins Sans Frontières (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.

19. Post-balance sheet events

The 2019 Trustees' Report and Financial Statements were prepared in early 2020 during the onset of the COVID-19 pandemic. The Board consider this to be a non-adjusting event for our 2019 Financial Statements as it occurred after the balance sheet date. We consider the only potential material impact to be on the estimated value of our future legacy income due to the possible impact on property values (see note 3). However, this impact cannot yet be quantified.

12. APPENDICES

Appendix 1: Structure of MSF

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 24 national and regional Associations.

Médecins Sans Frontières (UK): This is a company and a charity. Médecins Sans Frontières (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 21 affiliated sections worldwide; Médecins Sans Frontières (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.

Médecins Sans Frontières (UK) Association: The company law members of Médecins Sans Frontières (UK). These are former and current staff, including volunteers, who are members of the company Médecins Sans Frontières (UK), guaranteeing Médecins Sans Frontières (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. 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 field projects, prepare budgets and allocate resources. MSF entities are usually affiliated to a specific Operational Centre; Médecins Sans Frontières (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 (see below) 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 (five) 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

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

Nou de la Rambla 26

08001 Barcelona, Spain

MSF Switzerland

Seat of Operational Centre Geneva

78 rue de Lausanne

1211 Geneva, Switzerland

Other MSF locations

MSF entities in other countries recruit operational staff, raise funds and advocate on behalf of people in danger. A complete and up-to-date list of these entities can be found on our website: www.msf.org.uk.

