

2020

ANNUAL REPORT AND FINANCIAL STATEMENTS





2020 IN NUMBERS

WE ESTIMATE THAT IN 2020,
OUR SERVICES RESULTED IN¹:

32.6M

people using contraception provided by MSI

13.4M

unintended pregnancies averted

5.6M

unsafe abortions averted

35,000

maternal deaths prevented

OUR ESTIMATED IMPACT
WAS ACHIEVED THROUGH:

12.8M

client visits

32.7M

CYPs²

BY 9,000+

team members

ACROSS 37

countries



OVER THE PAST FIVE YEARS, WE HAVE SERVED:

66.4M

clients with core services

PREVENTING

60.3M unintended pregnancies

30M unsafe abortions

154,000 maternal deaths



If these

66.4M

clients had not been reached, it is estimated that maternal mortality would be over

10% HIGHER

collectively across the countries in which we work.

***Our impact figures**

The impact figures shown in this document have been calculated using Impact 2, our innovative sociodemographic mathematical model that allows us to estimate the impact of our work, and the wider social and economic benefits of offering access to contraception and safe abortion. You can find out more about Impact 2 on our website:

<https://www.msichoice.org/what-we-do/our-approach/our-technical-expertise/impact-2/>

²Couple years of protection (CYP) is one of our key service metrics which estimates the protection from pregnancy provided by contraceptive methods during a one-year period. Different methods of contraception have different CYP values which depend on how long they can be used for, the likelihood of wastage, and how effectively they prevent pregnancy. For instance, 120 condoms are needed to provide one CYP, while a five-year IUD provides 3.3 CYPs. For a more detailed explanation of CYPs please visit: <https://www.msichoice.org/media/4095/msi-cyp-infographic.pdf>

CHARITY DETAILS

Registered name and charity number

MSI Reproductive Choices
265543 (registered in England and Wales)

Company number

1102208 (registered in England and Wales)

Registered office

1 Conway Street
Fitzroy Square
London W1T 6LP

Board of Trustees

The Trustees of MSI Reproductive Choices are the charity's Trustees under charity law, and the Directors of the charitable company.

Trustees

Glenda Burkhart, Chair (appointed 6 March 2020)
Timothy M Rutter FRCS, Chair (resigned 6 March 2020)

Dr Mohsina Bilgrami
Frank Braeken
Fiona Duby
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MESSAGE FROM THE CHAIR OF THE BOARD

2020 has been a challenging and unusual year for all of us and taking on the role of MSI's Chair at the beginning of the global pandemic has certainly been a steep learning curve. However, I will always be grateful for the wonderful opportunity it has given me to get to know MSI at a deeper level.

Over the past 12 months I have worked more closely with the Board and Executive Team than I would in any normal year and been inspired again and again by the extraordinary can-do attitude. In a year like no other, MSI reached 35,000 people every day, from Afghanistan to Zimbabwe, with life-saving sexual and reproductive healthcare. Instead of faltering in the face of adversity, the whole organisation has innovated, partnered, and adapted to get services directly into the hands of women and girls wherever and whenever they are needed.

For MSI, 2020 was also pivotal because it was the year that we launched our strategy *MSI 2030: Your Body, Your Choice, Your Future*. Our mission is never going to change but the challenges we face will. The COVID-19 pandemic has disrupted access to contraception and abortion services, and donor budgets and priorities have shifted. These are significant challenges that require a bold response and we are committed to transforming ourselves to better address them.

MSI is a global organisation founded on the principle of strong country leadership and rooted in the communities where we work. That is in our DNA. Looking ahead we want to drive that agenda even further. A key part of our strategy for the next ten years is shifting the organisational centre of gravity back to the countries where we operate and further develop our female leadership.

**MSI IS A GLOBAL ORGANISATION
FOUNDED ON THE PRINCIPLE OF
STRONG COUNTRY LEADERSHIP
AND ROOTED IN THE COMMUNITIES
WHERE WE WORK**

I have been so impressed to see these goals reflected in everyone's drive to play their part in ensuring that diversity, equity and inclusion are central to everything we do.

The work that MSI does is extraordinary and so very important: keeping girls in school, supporting women to work outside the home and saving lives. One statistic that always stays with me is that in Niger, one in two girls will give birth before their 18th birthday, while only one in 100 will finish secondary school. This needs to change. I care passionately about helping women and girls and can honestly say it is an honour to be a part of this team that is changing so many lives for the better.

I have only been part of MSI's story for 12 months, but this organisation has a way of getting under your skin. As I look ahead to the next decade I do so with real optimism that together we will achieve our ambition of making reproductive choice a reality for all.

Glenda Burkhart
Chair of the Board





CEO STATEMENT

2020 will go down in all of our memories as an extraordinary year. For MSI it opened full of hope: a new decade; a bold new strategy in the making. The performance of our teams in those first weeks and months had us on track to achieve the ambitious goals set out in our previous five-year strategy. And then – along with the rest of the world – COVID-19 stopped us in our tracks.

Projections for the impact of COVID-19 on MSI's services were quite simply devastating. Worst-case scenarios showed that up to 80% of our services could be disrupted, with up to 9.5 million women losing access. But far from deflating our teams, those projections spurred them on and inspired a response that was nothing short of heroic.

While 2020 will forever be associated with the global pandemic, for me, the year will always be characterised by incredible stories of resilience: our team member who, while in lockdown in Wuhan, China, helped to secure our global supply chain for vital personal protective equipment (PPE); the speed with which our UK programme implemented telemedicine consultations, amidst relentless challenges from UK anti-choice groups; and when women were stuck at home under lockdown in East and Southern Africa, our programmes brought healthcare to their doorsteps, via our mobile bus clinics in Madagascar and a ride-hailing motor-taxi app in Uganda. These actions – and many, many more – were truly awe-inspiring. And as a result, we were able to protect the majority of our services, reaching almost as many women as we did in 2019. Remarkably, our East and Southern Africa, and West and Central Africa teams even managed to exceed their in-going 2020 business plans!

While there is no doubt that 2020 was a year of suffering and hardship, it was also a catalyst for innovation and change. With travel bans making face-to-face clinical quality assurance of our services impossible, we rolled out new remote systems which will save time and money and reduce our carbon footprint. Self-isolation and limits on movement motivated digital innovations across a number of our programmes, making it easier for clients to access information and support confidentially and safely.

Change was also driven by factors beyond the pandemic. The critical global conversations about race and diversity following the killing of George Floyd in the United States, prompted our own self-reflection on what more we could do as an organisation to create a fairer, more equitable world. Many of these commitments are writ large in our new strategy; a strategy launched under our new name, MSI Reproductive Choices.

WHILE THERE IS NO DOUBT THAT 2020 WAS A YEAR OF SUFFERING AND HARDSHIP, IT WAS ALSO A CATALYST FOR INNOVATION AND CHANGE.

The change reflects our fundamental and unwavering commitment to choice, whilst recognising that Marie Stopes the woman, herself a family planning pioneer and after whom the organisation was originally named, held some views which are diametrically opposed to those of the organisation and our founding principles.

At the heart of our new strategy is the ambition to make reproductive choice a reality for all; a pledge predicated on partnership. Whilst we were heartened by Joe Biden's victory in November, and the potential for the resumption of partnership with the US, it came in the same month as the UK government announced its intention to roll back on its legal commitment to spend 0.7% of gross national income on overseas development assistance, a decision that will have significant implications for the funding of sexual and reproductive health and rights (SRHR) – and crucially women's access – globally. With cuts of up to 85% recently announced, much of the progress made in the last ten years could be undone if these gaps remain unfilled.

Having spent four years fighting to mitigate the repercussions of Trump's Global Gag Rule, it's a further reminder of the challenges we have with our current funding structures. We passionately believe that choice cannot be given and then taken away, that women's access to life-changing and life-saving services must not be impacted by trends in donor funding or the economic or political situations of other countries. We must work hand-in-hand with national governments to support a shift to nationally-led sexual and reproductive healthcare services. And we – and the donor community – need to support that transition and be ready to fill the gaps to ensure that no-one, whoever they are and wherever they live, is left behind.

We know that governments and donors will have very difficult decisions to make over the coming years. However, for those who point to COVID-19, to the climate emergency and to economic recession and say we cannot afford to do this, our response is, we cannot afford not to. It costs less than two pence per day to protect a young woman from an unintended pregnancy, and as the largest generation of young people in history approach their reproductive years, reproductive choice will be pivotal to supporting them to stay in school and pursue careers, driving economic growth, while supporting women and communities to adapt in the face of changing climates.

This decade has opened with many uncertainties, but what we can be sure of is that the need for reproductive healthcare and rights will remain universal and urgent. We are so grateful to all our valued partners for making our 2020 achievements possible and we urge you to stay the course and work with us to navigate the challenges ahead. Reproductive choice is a key pillar in the drive for gender equality and in a future where women and girls take their rightful place in all aspects of society.

Simon Cooke
CEO

TRUSTEES' REPORT



The Board of Trustees presents its report and the audited consolidated financial statements for the year ended 31 December 2020 under the Charities Act 2011 and the Companies Act 2006, incorporating the Directors' Report. Pages 11 to 55 incorporate the requirements of the Strategic Report.

ABOUT US

WHO WE ARE

We are MSI Reproductive Choices. As our name suggests, we are unapologetically pro-choice and we believe that every woman and girl should have the power to determine the path their life takes.

Our vision is built on the views of our founders, who believed that by providing high-quality, client-centred care they could support women to pursue the future of their choice – on their terms. From contraception to safe abortion care, and life-saving services following unsafe procedures, we are committed to delivering compassionate, high-quality services for all.

Today, our organisation has over 9,000 team members working in 37 countries across the world. Our teams are rooted in the communities they serve – from major cities to rural, hard-to-reach villages. By taking services into areas others cannot – or will not – go, we enable more women and girls to make choices that were previously unavailable to them, in turn, improving the lives of individuals, families and communities.

Since we first opened our doors back in 1976, we have delivered sexual and reproductive healthcare services to over 155 million women.

We are proud of the impact we have made so far, but we know our job is far from done.



The way we work, and the culture of our organisation is driven by our values:

MISSION DRIVEN

With unwavering commitment, we exist to empower people to make the informed reproductive choices that are right for them.

CLIENT CENTRED

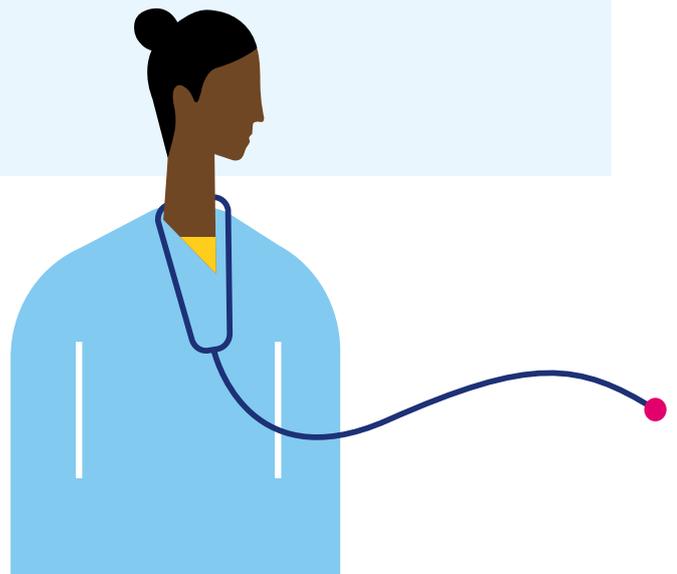
We are dedicated to our clients and work tirelessly to deliver high quality, high-impact services that meet their individual needs.

ACCOUNTABLE

We are accountable for our actions and focus on results, ensuring long term sustainability and increasing the impact of the Partnership.

COURAGEOUS

We recruit and nurture talented, passionate and brave people who have the courage to push boundaries, make tough decisions and challenge others in line with our mission.



MAKING REPRODUCTIVE CHOICE A REALITY FOR ALL

At MSI we believe that no one should have to risk their life, health, or freedom for the right to determine their own future. Our vision for the future is bold: by 2030 no abortion will be unsafe and everyone who wants access to contraception will have it.

We know that access to reproductive choice can be transformational. Every day, our providers around the world witness first-hand how choice supports women and girls to live their lives on their own terms. And they know what's at stake if that choice is unavailable. When women are denied reproductive choice, they are not only denied the right to live their future on their terms, but also the opportunity to take their rightful place in all aspects of society.

Right now, there are 218 million³ women and girls around the world who want but have no access to contraception. Many of these women and girls will face an unintended pregnancy, and some will resort to unsafe abortion, risking their life, because of a lack of access to safe care. Every minute of every day, 67 women resort to an unsafe abortion. Today alone, 96,000 women will have risked their lives with an unsafe procedure.

Every year, an estimated seven million women are seriously injured and 22,000 women⁴ die from complications caused by unsafe abortions. It is a public health crisis, and decisive action is imperative.

Over the past five years, it is estimated that without MSI's services, and if no other provider stepped in to fill the gap, there would have been 10% more maternal deaths across the countries where we work. The importance of access to reproductive choice is unquestionable.

As we look ahead, we will build on the innovations from 2020 and continue to adapt to meet the needs of our clients, never losing focus of our goal to make reproductive choice a reality for everyone.

In November 2020, alongside the launch of our next ten-year strategy, we changed our name from Marie Stopes International to MSI Reproductive Choices.

This move reflects our fundamental and unwavering commitment to reproductive choice in all its forms. From a choice of contraceptive or safe abortion method, to a choice over where and how to access care, we at MSI Reproductive Choices are committed to ensuring everyone is supported to make decisions about their bodies and their futures.



Read more about our new name and our strategy on page 40.

EVERY YEAR, AN ESTIMATED SEVEN MILLION WOMEN ARE SERIOUSLY INJURED AND 22,000 WOMEN⁴ DIE FROM COMPLICATIONS CAUSED BY UNSAFE ABORTIONS. IT IS A PUBLIC HEALTH CRISIS, AND DECISIVE ACTION IS IMPERATIVE.



“ IF YOU EMPOWER A WOMAN OR A GIRL, THEN YOU’VE EMPOWERED A HOME, YOU’VE EMPOWERED A COUNTRY AND YOU’VE EMPOWERED THE WORLD”



Damaless, nurse, MSI Zambia

Our estimates show that it costs less than

2 PENCE/3 CENTS PER DAY

to provide a young woman with a contraceptive method of her choice. It is a cost-effective investment that produces lasting and sustainable impact. By enabling girls to stay in school, supporting women to forge their careers, and better equipping communities to be resilient in the face of global challenges, from COVID-19 to the climate crisis, reproductive choice is foundational to building a more equal and sustainable world for all.



³<https://www.guttmacher.org/report/adding-it-up-investing-in-sexual-reproductive-health-2019>

⁴<https://www.guttmacher.org/report/abortion-worldwide-2017>

LOOKING BACK

2020 IN REVIEW: DELIVERING SERVICES THROUGH A GLOBAL PANDEMIC

2020 was the final year of our five-year strategy – Scaling-up Excellence – and the year we were due to reach the ambitious goals laid out in that strategy. But 2020 did not end up being the year we had planned for. As the global pandemic unfolded, our goals shifted to respond to the crisis. We focused on adapting to the evolving situation, while prioritising the safety of our clients and healthcare providers.

COVID-19 has devastated families and communities around the world. At MSI, we saw first-hand the impact on reproductive healthcare access and rights across our 37 country programmes. With national lockdowns restricting movement, a lack of information about what services were available, supply chain disruptions, and overwhelmed health systems diverting resources to the COVID-19 response, access to sexual and reproductive health and rights (SRHR), including contraception, safe abortion and post-abortion care was restricted.

But the crisis also brought with it innovation, resilience, and determination. The dedication of our team members and the rapid adaptation of our programmes and partners helped to ensure that sexual and reproductive health services remained accessible. And despite daunting projections at the beginning of the pandemic warning that up to 80% of our services could be disrupted, because of these actions, we were able to reach almost as many women as we did in 2019.

At the end of 2020, 32.6 million people around the world were using a method of contraception provided by MSI. That means that across the countries where we work, one in five women who want contraception are using a method provided by us. In 2020 alone, we reached 12.8 million clients, across 34,000 sites, with high-quality sexual and reproductive health services. One in every six of our clients were adolescents under the age of 20, a group that is still facing significant barriers to access around the world. Every single day, we served 35,000 people with the contraception, safe abortion and post-abortion care services that enable them to continue to build the lives they want.

EVERY SINGLE DAY, WE SERVED 35,000 PEOPLE WITH THE CONTRACEPTION, SAFE ABORTION AND POST-ABORTION CARE SERVICES THAT ENABLE THEM TO CONTINUE TO BUILD THE LIVES THEY WANT.

We are proud to be able to look back at 2020 and know that we did our utmost to continue to provide life-changing and life-saving services to as many women as we could, while partnering to prioritise access for communities often left behind by health systems.



32.6 M

People are using a method from MSI

13.4 M

Unintended pregnancies averted

5.6 M

Unsafe abortions averted

35,000

Maternal deaths averted

“ TODAY I WALKED FOUR HOURS TO DELIVER CONTRACEPTIVE SERVICES TO A WOMAN WHO CALLED ME ASKING ME TO COME OVER... NO PANDEMIC SHOULD PREVENT WOMEN FROM ACCESSING SEXUAL AND REPRODUCTIVE HEALTH SERVICES.”

Tika, provider, MSI Nepal



ADAPTING TO MEET THE NEEDS OF WOMEN

COVID-19 pushed us to innovate, teaching important lessons that will continue to shape our services beyond the pandemic. From introducing telemedicine to deliver homebased reproductive healthcare, to building new partnerships with governments to embed contraceptive services in national health programmes, COVID-19 acted as a catalyst for change within MSI and across the healthcare sector.

GETTING OUR SERVICES INTO THE HANDS OF WOMEN

With national lockdowns leading to curfews, transport blocks, and the cancellation of market days, which would usually provide a cover for women wanting to access services discreetly, many women have been unable to reach facilities. In response, MSI teams moved rapidly to get services directly into the hands of women. From Uganda, where in partnership with the United Nations Population Fund (UNFPA), we delivered contraception using a ride-hailing app, to Madagascar, where we obtained government permits to deliver services by bus and transport women safely to their local health facility. This kind of convenient, client-centred provision of information and services will continue to be needed beyond the pandemic and reflects our ongoing commitment to delivering services in ways that meet the needs of all our clients and ensuring that no one is left behind.

NEW WAYS OF WORKING WHILE KEEPING OUR CLIENTS SAFE

When COVID-19 started spreading at increased rates, our team members had to rapidly adapt to meet the needs of our clients. For team members providing frontline healthcare, there were immediate changes, from the need to access personal protective equipment (PPE) to permits for passing lockdown roadblocks, our providers went above and beyond to protect services. Meanwhile, team members who are office-based moved to home-based working and proved that remote teams are still able to work productively and drive innovation, without compromising quality. You can read more about our people on page 50.

The pandemic also drove innovations in how we uphold the quality of our services. With travel bans making face-to-face audits impossible, we rolled out new remote quality assurance systems, using audio and video streaming and recordings to conduct clinical audits. In addition to saving time and money and reducing our carbon footprint, the MSI Clinical Audio Video Assessments (CAVA) will allow us to evaluate the findings alongside other data systems, such as the competency of our clinical providers, and continually improve the quality of the assessments themselves. Read more about our commitment to quality on page 48.

DIGITAL INNOVATION

The need to self-isolate during the crisis also motivated long-overdue digital innovations that have revolutionised the delivery of services.

To protect access to timely abortion care and reduce the risk of transmitting the virus, MSI's UK and South Africa programmes rapidly implemented telemedicine, enabling women to have consultations over the phone or video and self-administer medical abortion drugs in the privacy of their own homes. While this service model was temporarily permitted during the pandemic, it could have profound implications if made permanent. It would contribute to expanding and improving access, reducing waiting times and gestations, and allowing women greater control in the process. At MSI, we are already sharing learnings from our UK and South Africa programmes to roll out similar telemedicine models in Nepal, India and Ghana, with the aim of delivering contraception via telemedicine too.

MSI's contact centres have also played a pivotal role, providing clients with guidance, support, service referrals and follow-up care. In fact, despite significant disruptions to their working arrangements, our contact centres have supported more clients than ever before, with 2.4 million interactions in 2020 compared with 2.2 million in 2019. While the number of calls over this period has stayed relatively consistent, interactions via social messaging platforms, such as WhatsApp, increased 87% between February and August 2020. This reflects both the increased need for access to confidential information and support, particularly for young people living at home and those at risk of domestic abuse, and a more general shift in how people prefer to communicate. At the end of 2020, we launched chat platforms in 10 countries, including the Democratic Republic of Congo (DRC), Nepal and Yemen, enabling our agents to manage WhatsApp and Facebook messaging seamlessly, expanding our ability to maintain access to advice during lockdowns. Growing mobile phone ownership is transforming access to healthcare, including for marginalised communities. MSI's data shows that in the remote regions served by our mobile outreach teams two thirds of clients (67%) now have access to a mobile – a 10% rise from 2016. These advancements bring us one step closer to our vision of a world where no woman is more than one contact away from a safe service.



OUR PERFORMANCE AGAINST 2020 OBJECTIVES

When the extent of the global pandemic became clear in March 2020, to ensure the sustainability of the organisation we shifted our focus from our 2020 objectives to “Preserve, Secure and Protect”, a strategy that remained in place for the whole of 2020 and continues into 2021.

Preserve our financial resources and cash in order to have the flexibility to respond to organisational risks as they arise

Secure current donor grant and future financial commitments in order to maintain our mission objectives

Protect our organisational capacity so that we can go back to scale once the crisis subsides.

In preserving our cash reserves, securing existing donor commitments, and protecting our organisation’s capacity to scale-up, we have upheld MSI’s impact and quality commitments whilst maintaining financial stability.

Alongside this revised focus, our teams made remarkable progress against our original objectives. Asia, which was hit hardest and earliest delivered behind 2019 but with an ever-improving trend and a sharper focus on channel sustainability. In Africa, our teams did outstandingly well to keep essential services functioning, with our Africa regions delivering ahead of their 2020 business plan. And in our commercial programmes, rapid innovations like telehealth in the UK, and use of government subsidies to underwrite service costs in Australia kept services functioning and open, more client focused, and fully sustainable.

Here we report on how we performed against those original strategic objectives set at the beginning of 2020, before the outbreak of the pandemic.

1. Continue strong CYP performance and deliver a minimum of 39 million CYPs.

In 2020, we delivered 32.7 million CYPs, down from 36.8 million in 2019. While this was well below the initial target for the year, it was far beyond what we expected we would deliver when the global pandemic was declared and we first shifted our focus to ensure the long-term sustainability of the organisation. The majority of our CYP shortfall came from India and our social marketing channel, which was severely hit by lockdowns, travel restrictions and supply issues, but we also made the strategic decision to lower our resultant working capital exposure and excessive trade stock. Other programmes, like Nigeria and Zambia defied the odds and delivered substantially ahead of target and prior year. Read more about regional performance of our programmes on pages 30-34.

2. Continue our focus on reaching additional users and high-impact clients, reaching our FP2020 target of 12 million additional users.

Our original FP2020 commitment, to deliver at least 6 million additional users of contraception by 2020, was doubled to 12 million in 2016, and we were able to exceed this target comfortably in 2020 despite the impact of the pandemic. We can measure this outstanding achievement due to our extensive

client exit interview process, which annually gathers user data across thousands of clients and allows us to tailor our services according to their needs.

3. Provide 5 million safe abortion and post abortion care services across the partnership.

Although our total in-centre safe abortion services remained fairly constant despite periodic centre closures and lockdowns, our total reported safe abortion numbers were down, again due to much lower distributor shipments of medical abortion pills and lower client offtake in India. In 2020, we served 2.8 million clients globally with safe abortion and post abortion care services, compared to 4.6 million in 2019. However, we saw major innovations in the delivery of abortion care via telemedicine which has the potential to transform access, and importantly to provide clients with better information and aftercare support. As the UK government temporarily allowed medical abortion pills to be taken at home with telehealth support, more women than ever before could choose to terminate a pregnancy without having to visit a centre, and comprehensive safety data showed that these ‘at-home’ abortions had a safety rate in line with those performed in centres. Read more on page 26.

4. Continue to diversify our donor funding base with an 8% growth in total income and an 8% growth in clinic service income.

MSI put forward an ambitious growth-based business plan for 2020 to conclude the final year of our Scaling-up Excellence strategy; you can read more about this strategy on page 18. However, as the pandemic emerged, MSI had to prioritise organisational capacity and reserves management under the ‘preserve, secure, protect’ strategy, before growth. Overall, total income decreased by 4%, and service income also decreased by 4%. Given the uncertainty in the first quarter of the year, and the sustained and rolling lockdowns across many country programmes, a reduction of only 4% represents a remarkable achievement.

5. To remove six policy restrictions to increase access including abortion law and regulation reform and approval for task-sharing.

Every day, we see our services restricted by unnecessary regulation and over medicalisation, which prevent people from seeking and receiving the services they want. So, we work hard to remove unnecessary restrictions to reproductive choice. In 2020 we successfully removed six policy restrictions in Malawi, Burkina Faso, Kenya, Madagascar and Mali. We also played a key role in advocating for temporary measures to allow the use of medical abortion at home in the UK to safeguard access during the pandemic. Under our Scaling-up Excellence strategy we contributed to removing a total of **56 policy restrictions** across the countries in which we work.

6. To finalise MSI’s next strategy, define our goals and measures and work with our country programmes to complete their strategic planning for the new strategic period.

In November 2020, we launched our new strategy *MSI 2030: Your Body, Your Choice, Your Future*, setting out our ambition of ensuring that no abortion will be unsafe and everyone who wants contraception can access it, by the end of the decade. Our MSI 2030 strategy was designed in consultation with our organisation and partners. Our priorities and direction were decided based on evidence and insights from our programmes, our frontline providers, our partners and beyond. You can read more about our new strategy on page 37.

SCALING-UP EXCELLENCE IN REVIEW

Scaling-up Excellence: Universal access, one woman at a time

Our 'Scaling-up Excellence' strategy guided our work from 2016 through to the end of 2020. In it, we challenged ourselves to go further; to reach more women with our services than ever before. We pushed ourselves to refine how we provide services and scale those delivery models without compromising on our commitment to our clients, or our unwavering focus on clinical quality, client-centred care and effective governance.

Our approach was built on three interlinking pillars: Scale and Impact, Quality, and Sustainability.



INCREASED IMPACT

Giving women the ability to choose when they have children saves lives and prevents unnecessary harm.

SCALE AND IMPACT

Doubling our health impact through contraception and safe abortion service delivery at scale.

We will

Double the number of annual MSI contraceptive users from 20m to 40m

Correct imbalances in service provision including adolescents aged 15–19 years and people living in poverty

Increase annual CYPs from 30m to 40m*

Provide contraception to 12m additional users by 2020, 10% of the global FP2020 commitment

Double provision of safe medical abortion (MA) and medical post-abortion family planning (PAFP) to 90% for all safe abortion/PAC clients

**In 2017, this goal was altered from 50m as a response to significantly changing funding landscape*

QUALITY

Setting the clinical, programmatic, and client care standards that other providers aspire to.

We will

Focus on clinical quality and client care so that our services are embedded as the preferred choice for women

Invest in the integrity of our data, so that we can ensure every dollar is spent effectively and all of our services can be validated

Grow and develop the talent within our organisation

Use the insights we gather from women to develop success models

SUSTAINABILITY

Using our expertise as a social business to build sustainable private sector models that go beyond donor support.

We will

Build genuine sustainability by ensuring that every service has a funding source

Create sustainability models for all of our service delivery channels

Nurture relationships with donors, foundations, philanthropists and national governments

Between 2016 and 2020, MSI reached more women than ever before with our services. Over the five-year period, we provided over 66.4 million clients with contraception, safe abortion and post-abortion care, with over one third of our family planning clients accessing contraception for the very first time. At MSI, we are proud to go where no one else goes, to hard-to-reach areas where women have no alternative provider. We estimate that over the last five years without our services, and if no one stepped in to fill the gap, the number of women dying from pregnancy related causes across the countries where we work would have been 10% higher.

The Scaling-up Excellence period saw significant changes and challenges within and outside of MSI. It was bookended by external events that have ultimately impacted the number of clients we were able to reach. In 2016, the first year of our strategy, Donald Trump was elected president in the United States. This set the path for the return of the Mexico City Policy, also known as the Global Gag Rule, and led to MSI declining USAID funding, as well as the rise of emboldened anti-choice groups around the world. Then in 2020, the final year of our strategy, came a global pandemic, which tested our teams and our operating models beyond anything we could have imagined. We have encountered other challenges along the way. One of our oldest and largest programmes closed in the Philippines, and we saw a shift in donor interest from Asia to Africa, leading to a number of our Asia programmes reducing in size and reprioritising to focus on achieving sustainability, in order to continue to provide vital services, even without donor support. In tandem we saw significant growth across our Africa programmes.

Despite the challenging backdrop, MSI achieved more impact than ever before and across the sector we saw progress in advancing sexual and reproductive healthcare and rights. The increased availability of medical abortion pills has allowed MSI and others to rapidly expand access to safe medical abortion and post-abortion care. We have supported this expansion through the development of MSI's continuum of care, delivering follow up care and referral support via our contact centres and other digital technologies, to ensure clients can manage their healthcare safely, on their terms. Our public sector strengthening channel has grown significantly, and over the past five years we have learnt a lot about what is needed to upskill public sector providers and support health systems to deliver high quality sexual and reproductive healthcare. We have revolutionised how we track and utilise client and programmatic healthcare data, meaning we know more than ever about who our clients are, what their needs are and how we can best serve them. And over the last year, as you can read in our review of the year on page 14, the global pandemic has taught us how we can do things radically differently. From new remote approaches to quality assurance, to delivering home-based healthcare directly to clients, we expect that many lessons from 2020 will outlast the pandemic itself.

PARTNERING WITH THE PUBLIC SECTOR IN NIGERIA TO LEAVE NO ONE BEHIND

Across the sub-Saharan Africa region, reproductive choice remains out of reach for many, with women living in poor and rural communities hardest hit. Low-income women face significantly higher rates of unmet need for contraception and in Nigeria, the poorest fifth of women are 80% more likely to die from pregnancy-related causes than the wealthiest fifth.

To ensure no one, no matter their economic status, age or location, is left behind, our teams in Nigeria have worked hard over the past five years to level the playing field, expanding access in under-served, rural communities at scale. Since 2016, our teams in Nigeria reached over 10 million clients with contraception, life-saving post-abortion care and wider sexual and reproductive healthcare services. We estimate that these services prevented over 33,000 maternal deaths and that without them, if no other provider had stepped in, maternal mortality would have been 10% higher.

By partnering with the public sector, these services were delivered to underserved communities at scale, including in rural, hard-to-reach regions and to those often marginalised by health systems. For example, in 2020, nearly one in three of MSI Nigeria's clients (27%) were under the age of 20. Last year, thanks to MSI Nigeria's strong partnership with government, we were able to keep public health posts open under lockdown and MSI teams moving between states, ensuring contraceptive services were not side-lined by the COVID-19 response and access was protected.

SAFE ABORTION SAVES LIVES – HOW WE TRANSFORMED ACCESS UNDER SCALING UP EXCELLENCE

Safe abortion saves lives, preventing unsafe abortion and maternal deaths, but around the world, women are still unable to access safe services. Today alone, an estimated 96,000 women will risk their lives to undergo an unsafe abortion. No one should have to risk their life to access a straightforward and common medical procedure.

That's why, in the face of a growing anti-choice opposition, we have remained focused on scaling up access to safe abortion and post-abortion care, with a focus on three strategies:

- 1 Driving a knowledge revolution by increasing awareness of safe abortion services
- 2 Partnering to expand our network of safe abortion providers and products
- 3 Ensuring quality across all service points in our safe abortion network.

This involved running the world's largest survey of safe abortion clients to learn how we can increase access to quality care, investing in provider share workshops to deliver de-stigmatising abortion care to all, and advocating for the removal of 20 policy and clinical barriers that restrict access to timely, safe care. Over the past five years, we have remained focused on delivering de-stigmatising, safe abortion care.



IN THIS SECTION WE REPORT BACK ON OUR ACHIEVEMENTS UNDER EACH OF OUR SCALING-UP EXCELLENCE PILLARS.

SCALE AND IMPACT

We finished the strategic period with an estimated 32.6 million people using a method of contraception provided by MSI in 2020. While that is below our target of 40 million, it is a significant increase on the 20 million base line. In our strategy, we laid out ambitious plans for expanding access to safe abortion and post-abortion care and our CYP impact. By 2019, we had increased our safe abortion and post-abortion care services by over a third and we had delivered over 36.8 million CYPs. However, the challenges presented by the global pandemic saw both of these numbers drop in 2020.

Alongside our growth in overall numbers, our Scaling-up Excellence strategy committed MSI to increase access for the most marginalised and underserved communities, with a particular focus on reaching adolescents and low-income clients. Our adolescent strategy, launched in 2017, led to an increase in the proportion of adolescent clients served by MSI, from 6% in 2016 to 11% in 2020. This equates to four million adolescents who have been able to make the reproductive choices that help them to determine the path their lives take. During the strategy, we learned how to better deliver access to underserved communities at scale: 60% of our rural outreach clients would have nowhere else to turn for their chosen contraception, while an estimated 26% of the clients we served live in severe multidimensional poverty.

We made a commitment to FP2020 to contribute 10% of the 120 million additional users they hoped to reach by the end of 2020, and we are proud to have reached and exceeded this target comfortably in 2020 despite the impact of the pandemic.

66.4M

Since 2016 we have reached **66.4 million** clients with contraception, safe abortion, and post abortion care services.

154,000

These services saved the lives of **154,000** women who would otherwise have died from pregnancy-related causes.

56

Since 2016, we have supported **56** policy, law, regulation and financing changes, leading to increased access and choice of services for millions of women around the world.

10%

Over the past five years, it is estimated that without our services, and if no other provider stepped in to fill the gap, there would have been **10%** more maternal deaths across the countries where we work.

QUALITY

Scaling-up Excellence laid out our commitment to setting the bar high for clinical, programmatic and client-care standards. From a clinical quality perspective, the development of our competency-based training approach, within our broader quality assurance mechanisms, has helped us identify, monitor and fill gaps in quality across our services and channels. The way we deliver quality support has been transformed further by COVID-19, with the introduction of Clinical Audio-Visual Assessments, which allow for quality audits and technical assistance to be conducted remotely. Our client centred care framework began development under Scaling-up Excellence, ensuring we put our clients first in all our service provision. The framework and metrics will be launched this year.

The strategic period saw the launch of our success model approach. Our success models set the expectations for how each of our channels should run, bringing together the relevant medical, operational, financial and technical strands that go into delivering effective services. These have become 'go-to' points of reference for our country programmes.

Growth in safe medical abortion and post abortion care has been supported by the introduction of our continuum of care and Abortion Quality Index (MS AQI), and the expansion of our contact centre network to ensure that clients can access follow up care. We also launched our field-testing initiative, which has assured the quality of the mifepristone and misoprostol products provided to our clients over the last three years. For self-managed medical abortion, the MS AQI generates scores based on the quality of products, the accessibility and quality of information available, as well as follow-up care. By monitoring these key components, we are better able

to identify where improvements are needed and ensure that all safe abortion and post-abortion care services are provided to the highest possible standard.

Our commitment to quality includes a commitment to data integrity; to ensuring that all reported services are trackable and auditable. During the period, we made significant investment and progress in ensuring that our data systems remained in line with these ambitions. In 2019, we relaunched our global data validation standards, as well as processes to support the annual analysis of country programme performance against these standards. As a result, MSI has strengthened data integrity across the partnership.

Through improvements in our routine data capture, as well as our annual client exit interviews and other monitoring tools, such as mystery client surveys, we have more insights than ever before. Access to new and better data has helped support an organisational shift with rapid and agile programming at its core, with data and insights helping to extend our reach and meet the needs of our clients more effectively.

In support of our goal to grow and develop talent within MSI, we have introduced a number of initiatives within our global support office and across the global partnership from intensive leadership and management training programmes, ongoing coaching and mentoring, specific initiatives to support female leadership development and most recently the launch of a global learning management system. Through our advanced leadership programme, we have supported the progression of eight team members into country and regional leadership roles over the last five years.

SUSTAINABILITY

Under Scaling-up Excellence, we have invested in strategies to make our centres commercially viable, to enable them to operate independently of donors and to protect access to choice. By the end of the strategic period, for every £1 required to operate our centres, we generated 70 pence ourselves to cover the costs, and the intention is to make this channel fully self-sustaining before 2023.

We've worked closely with our country programmes to ensure reproductive healthcare is part of the service package for universal health coverage (UHC) under domestic health financing, and we've seen success in Nepal and Ghana, which you can read more about in our case study.

The period also saw the broadening of our relationship with funding partners and national governments. Partnerships were extended into new geographical markets and to new individuals and organisation types – engagement with private philanthropists in the United States for example, has seen MSI's vision and mission reach a completely new audience.

Many existing and new funders rallied behind MSI's stance against the Global Gag Rule, and so whilst one key partner – USAID – was shut-off from us for most of the strategic period, new influential relationships were established, developed, and continue to grow. Ultimately, broadened partnership meant the potential negative impacts of loss of USAID funding on implementation of our Scaling-up Excellence plan were largely mitigated and access was protected.

ABORTION IS HEALTHCARE: ADVOCATING FOR DOMESTIC FINANCING OF SAFE ABORTION CARE IN NEPAL

As we look ahead to transitioning services from donor-funded delivery to nationally led services, domestic investment in sexual and reproductive healthcare will be crucial. Sexual and reproductive healthcare is one of the smartest, most cost-efficient investments that governments and donors can make. It is estimated that the cost of providing a safe abortion in a low and middle-income country is **one sixth of the cost** of providing post-abortion care following an unsafe attempt. **The Guttmacher Institute estimates** that for every additional dollar spent on contraceptive services, the health system is saved \$2.20 in pregnancy-related costs.

To facilitate this, MSI has advocated for Universal Health Coverage and the inclusion of contraception, safe abortion, and post-abortion care in domestic financing. In Nepal, the government has included safe abortion care in the Basic Health Services Package, making abortion free of charge at public health facilities. Since the reforms, **Nepal has seen a rise** in the use of government facilities for abortion care and improved abortion safety. However, as many women still seek services outside of public facilities, and the scheme does not provide sufficient coverage for services outside of the public health system, women continue to fall between the gaps. MSI Nepal is now working with the government to expand coverage to non-governmental services too, but it shows the need to continue to strengthen and fund safe abortion provision across the health system, to ensure equitable access to quality care.



FIGHTING FOR A FAIRER FUTURE WITH ADOLESCENT SEXUAL AND REPRODUCTIVE HEALTHCARE

Barriers to sexual and reproductive healthcare continue to hold young women and girls back, costing lives.

Research across six sub-Saharan African countries found that nearly all adolescent girls who have ever been pregnant are no longer in school, while childbirth complications continue to be the **leading cause of death for girls aged 15-19**. In Niger, one in two girls will give birth before their 18th birthday, but only one in **100 will finish secondary school**.

Adolescents in low and middle-income countries are **nearly twice as likely to** face an unmet need for contraception than all women aged 15-49. For a fairer future, we need to transform access for young people, so in 2017, MSI launched our tailored adolescent strategy, scaling up investment in three key areas:

- 1** Removing the needless policy and community barriers that restrict access for young people
- 2** Increasing awareness of adolescent services, via campaigns and community engagement
- 3** Adapting services to ensure facilities and providers are equipped to deliver inclusive care.

Since 2017, we have supported over **four million adolescents** to access safe services, providing the reproductive choice they need to remain in school and determine their own futures.



Many of the lessons we learned through the delivery of Scaling-up Excellence fed into the development of our new ten-year strategy, *MSI 2030: Your Body, Your Choice, Your Future* which you can read more about on page 37.



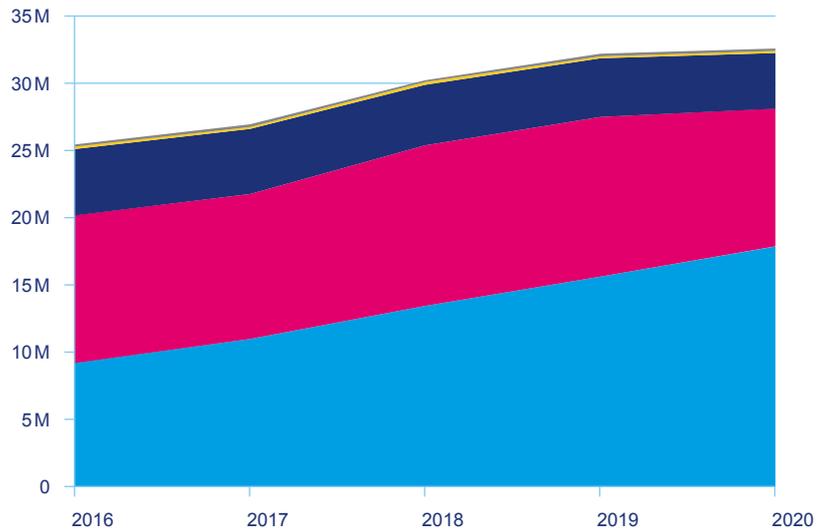
THE DATA

Over the course of our Scaling-up Excellence strategy, the number of people using our services has steadily increased, with over 32 million⁵ people around the world using a contraceptive method provided by MSI by the end of 2020. The majority of our users are in Africa and Asia, 55% and 44% respectively, with Europe, Australia and Latin America contributing to approximately 1% combined.

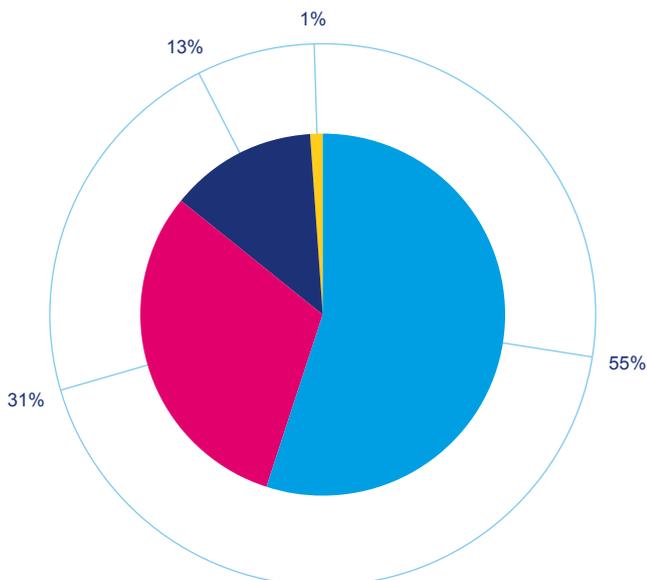
MSI ESTIMATED USERS BY REGION

Over the past five years, we have seen a shift in donor focus from Asia to Africa. This led to several of our Asia programmes reducing in size and reprioritising to focus on achieving sustainability. At the same time, we saw the rapid growth of our services in Africa, including the opening of a new programme in the DRC.

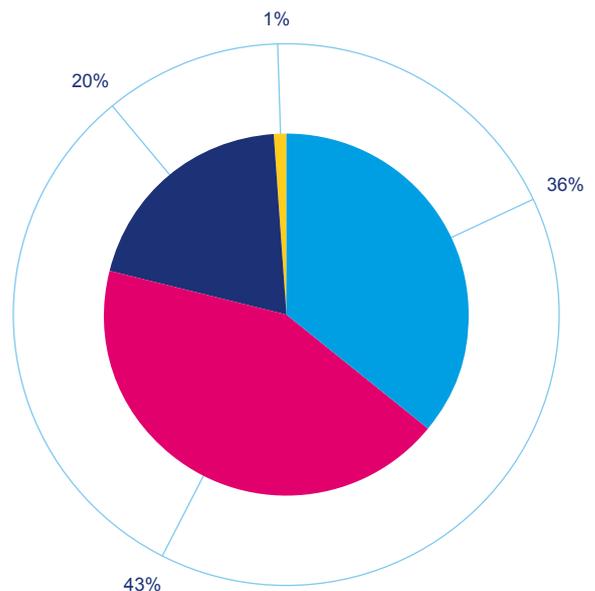
You can read more about our work in each region in 2020 on pages 30-34.



BREAKDOWN OF USERS BY REGION IN 2020



BREAKDOWN OF USERS BY REGION IN 2016

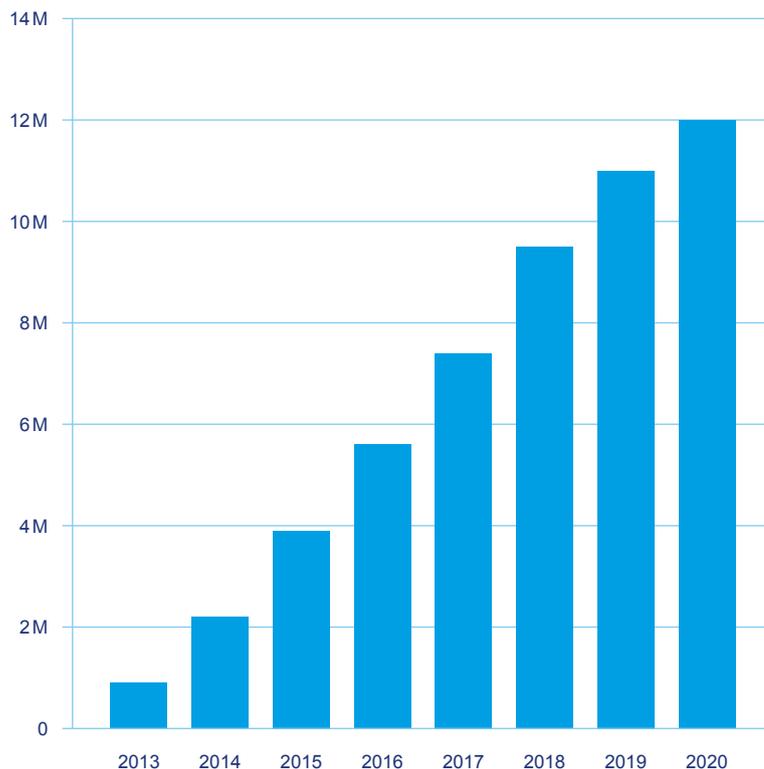


⁵Counts all clients who are using a family planning method provided by MSI. This includes women still using a Long-Acting Permanent Method (LAPM) that they received from the programme in previous years (taking into account method specific discontinuation rates).

ADDITIONAL USERS

In 2012, the international community came together at the London Summit on Family Planning and pledged to reach 120 million additional users of contraception in 69 of the world's poorest communities by the end of 2020.

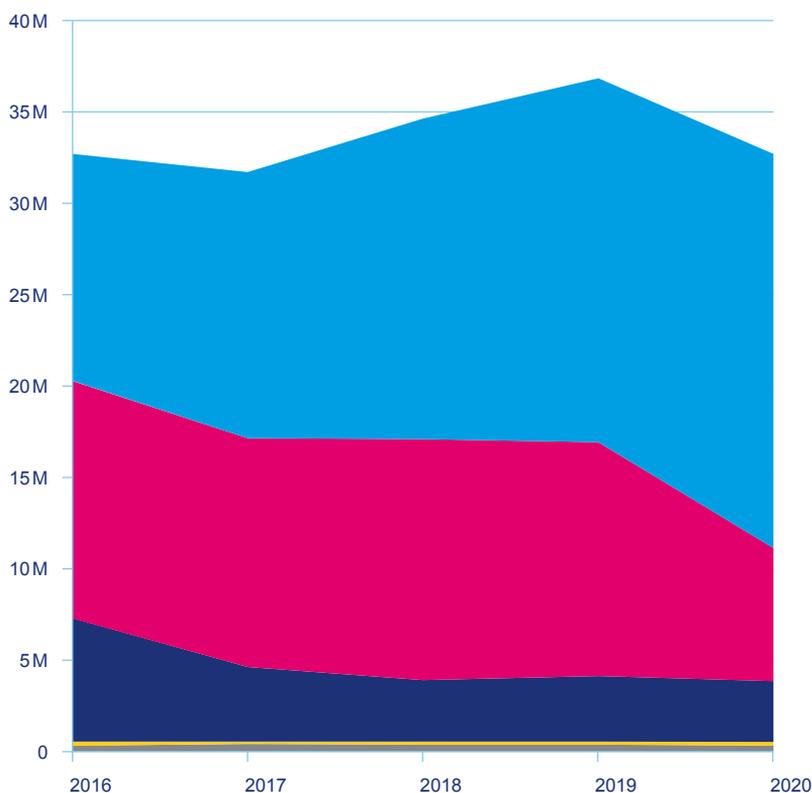
Based on strong performance against our initial pledge, MSI doubled our commitment from 6 to 12 million additional users in 2015, making our pledge a tenth of the international community's total pledge. By the end of 2020, we estimate that we were able to reach and exceed this target and have contributed over 12 million additional users* in the countries specified by the FP2020 group.



CYP GROWTH

Like many in our sector, we measure the output of our services using 'couple years of protection' (CYPs), which allows us to assess the scale of our services and to compare progress over time. In 2020, COVID-19 had a significant impact on our Scaling-up Excellence target of reaching 40 million CYPs: instead we delivered 32.7 million CYPs across the partnership, a decline from 36.8 million in the previous year. We saw the biggest decline in South Asia, particularly in India, due to lockdowns and travel restrictions, compared to programmes in West and Central Africa which together saw a 17% growth in the number of CYPs from the previous year.

You can read more about the reduction in CYPs on page 17.

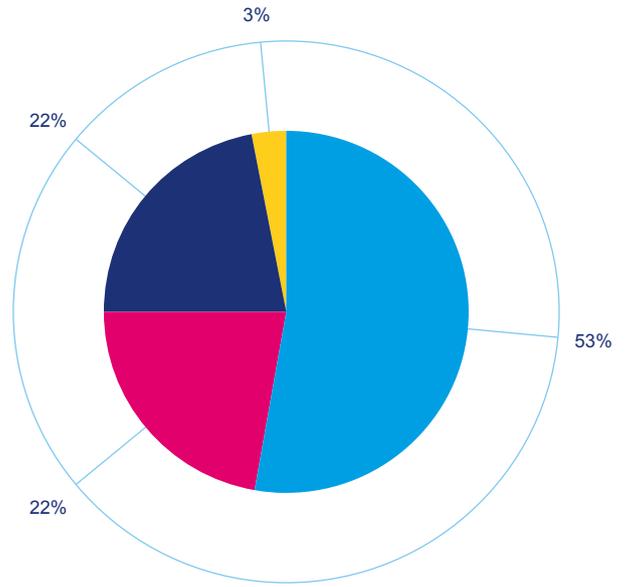


*This concept does not apply to an individual person, but rather refers to an increase in the absolute number of users above a specified baseline. In the case of FP2020, the baseline is 2012.

CONTRACEPTIVE METHODS

Choice is at the heart of everything we do, and we provide counselling and a full range of contraceptive methods across our services. By offering the widest range of methods, including short-term, long-acting and permanent methods, we can ensure that every woman can choose the type of contraception that is right for her. The majority of our clients choose long-acting or permanent methods of contraception that will protect them from unintended pregnancy for long periods of time. In many of the countries where we work, we are the only provider of these methods. In 2020, 78% of those who chose a contraceptive method with us were using a long-acting or permanent method⁷.

There was a concern that due to supply chain disruptions and challenges facing specific delivery channels caused by the pandemic, women could face reduced choice in the contraceptive methods available. Whilst we have not yet seen evidence of this, with our recorded method mix remaining consistent, we are anticipating challenges in supply of products to come due to severe funding cuts to UNFPA.

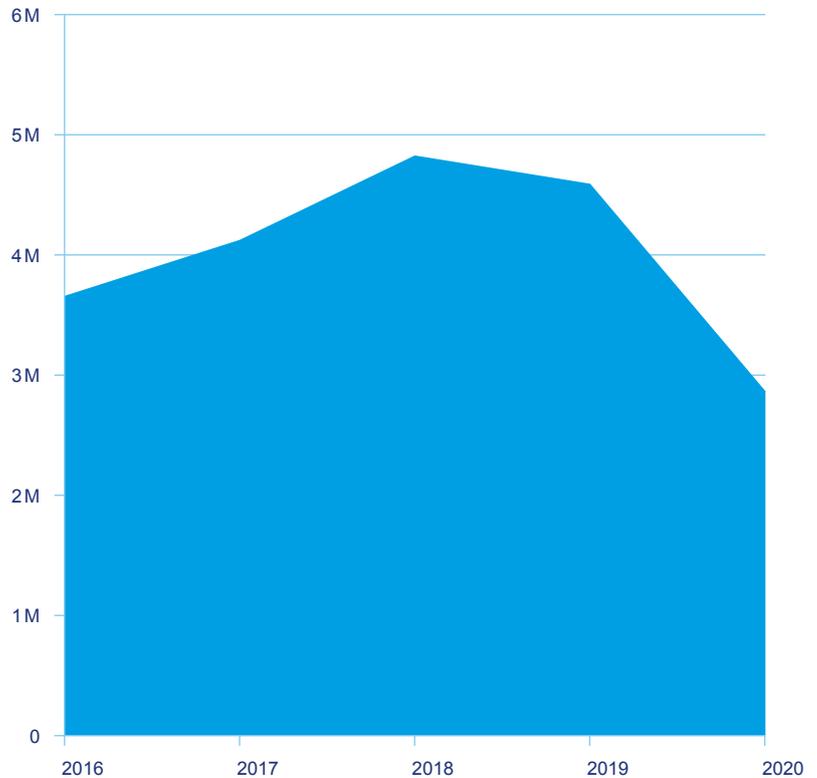


SAFE ABORTION AND POST-ABORTION CARE

Providing access to safe abortion and post-abortion care is at the core of our mission. Worldwide, one in four⁸ pregnancies will end in abortion. In the countries where we are legally permitted to do so, we help women to safely end their pregnancies. By providing services to women when and where they need them, we can support clients to make the reproductive choices that are right for them, while reducing the number of women that are forced to resort to unsafe abortion, risking their health and, in some cases, their life.

While our efforts to mitigate the impact of COVID-19 have allowed us to protect access across several settings, we have still seen a considerable reduction in the number of women who have been able to reach our services. National lockdowns, travel restrictions and supply chain delays and stock-outs severely impacted the number of people who accessed a safe abortion and post-abortion care service with us last year. In 2020, we served 2.8 million clients with safe services, compared to 4.6 million in 2019.

We saw indications that services were back to pre-COVID levels towards the end of the year, and we are hopeful that this trend will remain in 2021 despite the continued impact of COVID-19.



⁷Counts all women who have received a family planning method from MSI within a given year. For LAPMs user numbers this includes women served within that year (accounting for 1st year discontinuation). For short-term methods, user numbers assume women receive commodities for one full year of protection. This graph is not including condoms.

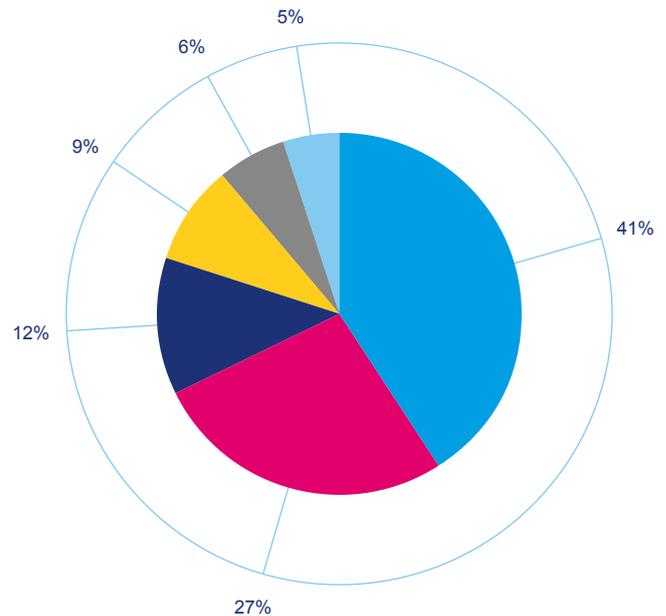
DELIVERY CHANNELS

We strive to always put our clients at the centre and to understand their unique challenges. To ensure our services reach the most marginalised and underserved, we use a variety of channels and continuously tailor our approach to best meet their needs.

In 2020, our **mobile outreach** channel continued to deliver the highest number of CYPs. Over the years, our outreach model has transformed access for millions of women by travelling long distances to deliver services to people in rural and remote communities, who often have no other means of accessing reproductive health services. While we initially feared severe disruptions to our outreach channel due to travel restrictions, thanks to the rapid response from governments to classify sexual and reproductive healthcare as essential, the outcome was better than first anticipated with over 3 million client visits in 2020, on par with the performance in 2019.

Our fastest growing channel in 2020 continued to be our **Public Sector Strengthening (PSS)** channel, through which we partner with governments to build the capacity of Ministry of Health providers to deliver high quality, stigma free contraception, safe abortion and post-abortion care services at public facilities. In 2020, our PSS channel grew significantly through increased collaboration and partnership and accounted for 27% of family planning CYPs, compared to 21% in 2019.

Our **centres** have served as the backbone of our operations since we opened our first clinic in central London back in 1976, and they continue to provide safe and welcoming spaces where our clients can access high-quality, affordable contraception and safe abortion care. Centres had a tough time during the pandemic; service numbers and income were hit harder than other channels due to the urban locations and it has taken longer to recover. However, our centres play a vital part in the delivery of safe abortion care in the communities we serve, ensuring women have choice over their abortion method, and we continue to adapt our centres to provide broader reproductive health services where needed.



MSI currently has more than 2,300 **social franchise** providers in our network. In 2020, these providers received almost 2 million client visits, reaching over 300,000 clients under 20 years old. Our social franchise model has been used to strengthen both the public and private health system by increasing access points for quality services, while reducing the burden on the public sector. However, in line with our new strategy, we will be transitioning away from our current social franchising model to a new model of private sector engagement which is sustainable in the long-term. This transition will support our vision that no woman will be more than one contact away from a safe contraception or safe abortion provider as well as our commitment to providing the highest possible levels of clinical quality and choice to our clients.

Starting as a pilot in a handful of countries in 2009, our **MSI Ladies** channel has now developed into a network of more than 1,000 community-based providers. This is a group of qualified midwives and nurses from the local community who are trained and supported by MSI to provide contraceptive services and advice to women in their own homes. In 2020, over 650,000 clients were seen by MSI Ladies across our programmes.

We use our **social marketing** channel to ensure that people can access high-quality, sexual and reproductive healthcare products in a convenient location. We distribute our own brand of high-quality reproductive healthcare products through pharmacies, community-based distributors and other private providers. National lockdowns and travel restrictions during the COVID-19 pandemic severely impacted the channel, particularly in India and during the first half of the year.



REACHING THE MOST MARGINALISED AND UNDERSERVED

Across the world, access to reproductive healthcare is unequal. In the sub-Saharan Africa region, data suggests that the poorest fifth of women are twice as likely to have an unmet need for contraception as the wealthiest fifth of women.

This inequality is increasing, driven by power relations that exist within families, communities and wider society, and by a lack of political will to increase access in the poorest communities. This is despite data showing that expanding access to sexual and reproductive healthcare is one of the smartest, most cost-effective investments governments and donors can make.

At MSI we are committed to reaching these women.

One of the ways we ensure our services are reaching those in greatest need is by measuring the proportion of clients that fall into at least one of four groups:

Adolescents: young women aged 15 – 19, for whom contraceptive access is often restricted

Adopters: those using a method of contraception for the first time or after a lapse in use

Women living in severe multidimensional poverty, an international measure that complements traditional monetary poverty by capturing acute deprivations in health, education, and living standards that a person faces simultaneously. Population in severe multidimensional poverty refers to those with a deprivation score of 50% or more.

No availability: women who would have no other way of receiving their service had it not been for MSI

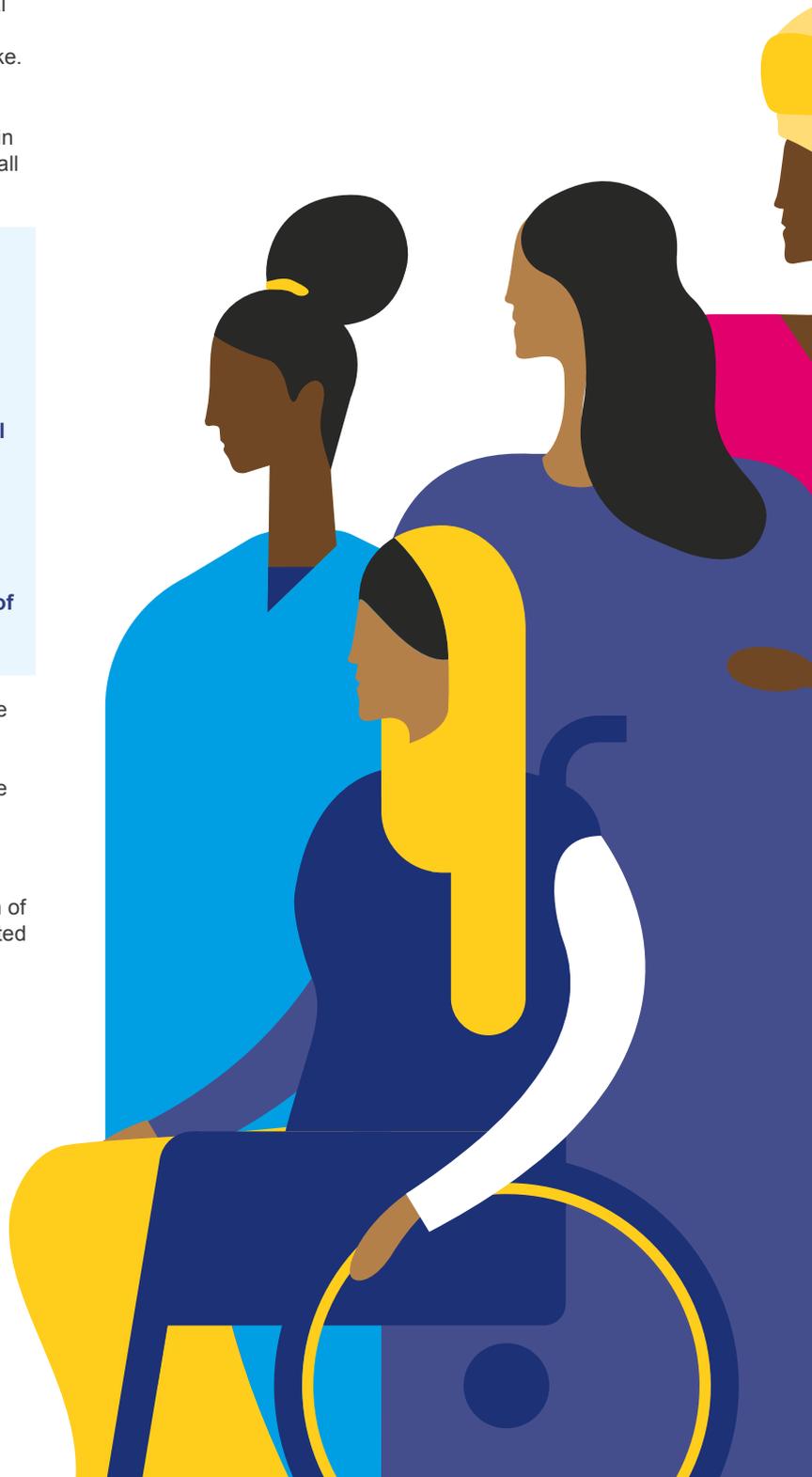
In 2020, an estimated 26% of our clients were living in severe multidimensional poverty. 60% had no alternative access to their chosen contraception method and 52% were adopters, meaning they were taking up a contraception for the first time or after a lapse in use.

We had initially feared that adolescent access would be particularly badly hit by the pandemic. However, our service data so far is reassuring, showing that overall, the proportion of adolescent clients has remained consistent, and was estimated at around 11% of our overall client numbers in 2020.

IN 2020, AN ESTIMATED

26%

OF OUR CLIENTS WERE LIVING
IN SEVERE MULTIDIMENSIONAL POVERTY





REGIONAL PERFORMANCE

In accordance with our strategy, we use a balanced country portfolio approach to make choices about where to invest financial and technical resources. We choose service delivery models that address gaps in service provision in each country to allow us to maximise the global impact of our Partnership.

The next section shows regional performance in 2020. You can find information on the performance of all our countries individually on page 35.

EAST AND SOUTHERN AFRICA

MSI's East and Southern Africa (ESA) region had a successful year.

COVID-19 began to impact the nine countries in the region in April 2020. Programmes adapted quickly, finding ways to ensure MSI's services were classified as essential so that sites and outreach teams could continue to operate safely, but the impact of the pandemic did result in a contraction in the number of CYPs delivered by some of ESA's service delivery channels in 2020.

The centres channel suffered the greatest impact as offices and learning institutions in urban areas closed and client footfall fell. This resulted in a 31% reduction in CYP delivery for 2020. There was some recovery in May and June, but overall, performance remained below the level of the previous year. CYPs delivered by ESA's outreach services in Malawi were also impacted due to a combination of the impacts of COVID-19 and a reduction in grant income.

Being largely based in semi-urban or rural areas, ESA's social franchise channel was not affected by COVID-19 in the same way and in fact grew in certain programmes. This growth, combined with an increase in reach via social marketing, meant that programmes were able to increase access to safe abortion and/or post-abortion care services across the region by 13%, in line with local regulations.

Considering the varying impact of COVID-19 in the region, it's a significant achievement that service income increased by 2% on 2019. Kenya and Zambia programmes were the highest performing, with 10% and 39% growth on 2019 respectively, both of which were driven by strong outreach performance.

WEST AND CENTRAL AFRICA

Serving a total of 4.6 million clients in 2020, MSI's West and Central Africa (WACA) region saw a 16% growth in the number of CYPs delivered in comparison to the previous year.

This achievement is despite the impact of COVID-19, which restricted services across the region. All eight WACA programmes were impacted by the pandemic, needing to restrict services temporarily while infection-prevention measures were rolled out. Teams responded quickly, adapting to ensure clients knew when and where services were available. In Ghana, for example, MSI's call centre operators moved to work at home over the first weekend of lockdown and took more than 420 calls from clients over those first few days.

However, in terms of service delivery, the Ghana programme, as well as MSI's programmes in Sierra Leone and Senegal, were more restricted in their activities due to COVID-19. Unable to get permissions to travel or to provide services from health posts during the height of the COVID-19 pandemic, these three programmes delivered fewer services in 2020 than 2019.

In contrast, WACA saw growth in other programmes in the region. Niger's programme grew by 45% during 2020. Similarly, MSI's Nigeria programme, already the largest in the region, grew by 23%, delivering 7.6 million of the 10.4 million CYPs delivered by the region. In response to the pandemic, our programme in Nigeria sent their outreach teams to more rural and remote areas, where clients were reluctant or unable to go to health facilities and supported their 2,400 public sector sites to stay open and continue to provide contraception.

WACA also managed to reach more adolescent clients in 2020, closing the year with 24.8% of clients under 20 years of age, more than 2% higher than the average client age mix in 2019.

TRANSFORMING ACCESS TO REPRODUCTIVE CHOICE IN THE SAHEL

Communities in the Sahel region of sub-Saharan Africa face some of the highest barriers to sexual and reproductive healthcare. Across the region, an estimated 7.2 million women want access to modern contraception, but only half (an estimated 3.7 million) have it. This costs lives, with 419,000 women risking their life to undergo an unsafe abortion every year. That's why, under Scaling-up Excellence, MSI's teams worked to transform access to services across the Sahel. Since 2016, we delivered reproductive choice to over 3.6 million clients in the region, providing contraception, life-saving post-abortion care and wider sexual and reproductive healthcare.

By partnering at a national and community level, these services have made a significant impact. Last year, MSI's services in the Sahel prevented an estimated 312,000 unsafe abortions and 2,300 maternal deaths. In Senegal, our programme has contributed to the contraceptive prevalence rate increasing from 8% to an estimated 20%. At a community level, we have partnered to shift social and gender norms. From facilitating **joint decision-making between couples in Burkina Faso** to **partnering with local schools in Senegal** to drive awareness of adolescent services, we have collaborated to build community support for reproductive choice and its role in building a more equal world for us all.



ASIA

In April 2020, MSI's Afghanistan, Pakistan, and Nepal programmes merged into the South East Asia region, which in turn became the Asia Region, now comprises Afghanistan, Bangladesh, China, FRHS India, Mongolia, Myanmar, Nepal, Pakistan and Vietnam.

Due to the COVID-19 pandemic, 2020 proved to be a challenging year for all programmes in the Asia region. Due to lockdowns and operating restrictions, the region fell short of 2020 targets with a 16% drop in CYPs in comparison to the previous year, from almost 9 million to just over 7.5 million CYPs.

Despite setbacks, 2020 proved to be a year of adaptations and opportunities for our programmes in the Asia region. In China, for example, the team expanded its portfolio to help source PPE, completing 31 PPE orders for 21 MSI countries between March and November 2020. In Nepal, our contact centres became the national hotline for safe motherhood, child health and sexual and reproductive health, and MSI Bangladesh supported the Government by developing the national training modules on infection prevention for family planning and maternal, child, reproductive and adolescent health in the context of COVID-19.

The pandemic also led to an acceleration in the use of digital technology to reach clients. MSI's social franchise channel in Pakistan piloted a partnership with a telehealth service to provide 24/7 online access to doctors for prescriptions and COVID-19 advice, amongst other consultations. Looking ahead, FRHS India and PHS India will both start medical abortion provision via telemedicine to scale responses commensurate with need.

Overall, the region finished the year having outperformed 2019's service income by 4% - an incredible achievement considering the circumstances.

PACIFIC ASIA

MSI's Pacific Asia region had a challenging start to 2020 due to the announcement of a major budget cut to the Papua New Guinea programme in December 2019. Total operational expenditure for the programme was reduced by over 50% and PNG had to undertake a restructure at the start of the year, reducing the number of support office staff, outreach teams and PSS supervisors.

Despite this, service income for Pacific Asia was on par with 2019, and the programmes across the region delivered over 204,000 CYPs with over 140,000 client visits across the year. Safe abortion delivery increased by 7% on 2019; a result largely driven by Cambodia, where the MSI Ladies network grew to include 153 members and significantly improved access to safe abortion and post-abortion care

Success was also seen in the region's efforts to reach young people. Of the 252,000 people using a method of family planning provided by MSI Pacific Asia, 6% of those were under the age of 20.



SOCIAL MARKETING

We use our social marketing channel to ensure people can access high-quality, sexual and reproductive healthcare products in a place that is convenient for them, such as pharmacies, private providers and community-based distributors. Our largest social marketing programme is PHS India, a programme that faced a difficult year in 2020. The national lockdown that was announced in March 2020 severely impacted sales. Overnight shutdowns in public transport and the exodus of workers from cities meant that supply chains ground to a halt, and travel restrictions limited the sales force from moving and selling. Restrictions slowly eased from early June, but sporadic local lockdowns in response to outbreaks continued to disrupt operations. In addition to COVID-19 and challenges related to the pandemic, the region experienced extraordinary weather events – cyclones and flooding – which prevented stock from being moved to regional warehouses and primary distributors.



SELF-SUSTAINING PROGRAMMES

UNITED KINGDOM

MSI is the UK's leading provider of safe abortion services, providing NHS-funded terminations in over 50 sites nationally. In 2020, MSI provided over 60,000 terminations.

From day one of lockdown in the UK, the MSI team advocated passionately for the introduction of telemedicine to ensure that women could continue to access timely, safe, and high-quality abortion care. There were several hurdles to overcome including implementing stringent infection prevention and control measures, but within six days of Government approval, MSI UK had transformed their medical treatment via the introduction of a telemedicine pathway.

The team continued to innovate through the year. This included launching new standalone contraceptive clinics offering the most effective long-acting methods, introducing video conferencing for consultations and creating a live chat function on the website to help clients communicate in a more private and safe manner.

MSI UK has come a long way over the last five years. Since a period of intense regulatory scrutiny during 2016, there has been ongoing recognition of continual quality improvement by both commissioners and regulators. This is testament to the hard work of the UK team, who continue to drive further changes to provide the highest quality, timely and compassionate abortion care to all its clients.



AUSTRALIA

In Australia we have clearly seen the importance of providing services via telemedicine. Uptake during April to September 2020, increased by 69% nationally compared to the same period in 2019. Nationally there was a 30% increase in tele-abortion services, an 8% increase in the number of regional clients and a 20% increase in the number of remote clients. Without this service, the impact of the pandemic restrictions and collapse of reliable travel options would have made access impossible for some of these communities.

Mandatory lockdowns and temporary suspension of elective surgeries meant that existing barriers to sexual and reproductive health services were amplified. In order to maintain healthcare access, the crisis management team focused on evolving models of care. For example, with the introduction of the low sensitivity urine pregnancy test (LSUP) to confirm a complete treatment, clients were able to access a medical abortion via telehealth from their homes without the need for a follow-up appointment in clinic.

SELF-SUSTAINING PROGRAMMES

LATIN AMERICA

Both Mexico and Bolivia faced challenges from imposed lockdowns and restrictions of movement. In Mexico, our programme saw a 40% reduction of women travelling to our clinics in Mexico City from other parts of the country to access safe abortion care, and the country saw a 12% increase in adolescent pregnancy compared to the year before. To improve access for women despite travel restrictions the team improved and expanded their digital channels to enable women to discreetly seek advice via WhatsApp and Facebook. Following the legal shift in the state of Oaxaca that decriminalised safe abortion care, the programme opened a new centre in the region. This is a great success that enables the programme to get closer to the women who need access.

Bolivia in turn went into a strict lockdown in March that lasted for months. While our operations were initially forced to close, we were able to reopen two weeks later as the first SRHR provider in the country, after having secured appropriate paperwork from the government. Throughout the year, the team worked hard to enable the continuation of reproductive healthcare for women all over the country and travelled to remote communities that were left vulnerable due to the pandemic often with no other access to services. This included providing services to repatriated migrants who were stuck at the border with Chile, and to indigenous communities with very restricted access to even the most basic healthcare.

SOUTH AFRICA

The South Africa programme also launched a telemedicine service in 2020, which enabled the programme to continue to deliver services and enable women to access quality care in a timely manner during the pandemic. Uptake of the service continuously increased as the year went on and led to the programme expanding its services to four new provinces.

The impact of the pandemic also necessitated a shift in strategy and priorities to continue the path towards achieving financial sustainability, including the roll-out of several cost-saving measures. One such measure was the decision in late 2020 to shut down some centres to help reduce costs.



OPTIONS

Options Consultancy Services Ltd (“Options”) is a private limited company, wholly owned by MSI Reproductive Choices. Options work with governments and development partners to drive transformational improvements in the health and well-being of the most vulnerable, particularly women and children. In 2020, one of the ways Options responded to the changing global health landscape was by setting up a new Department for Design and Innovation, aimed at combining emerging ideas from within the company with novel ideas that sit outside our existing expertise to better solve global health challenges.

COVID-19 continues to impact Options’ programmes and teams to varying levels dependent on the geographic location and goals of the programme. After implementing programme continuity plans, to manage programme risks in response to the pandemic, we are now transitioning to ‘normal’ programming, where possible.

REGIONAL PERFORMANCE

	Income 2020 £'000	Income 2019 £'000	CYPs 2020 (000s)	CYPs 2019 (000s)
East and Southern Africa				
Ethiopia	12,091	11,464	1,128	1,068
Kenya	9,169	9,287	1,384	1,260
Madagascar	5,970	6,242	1,035	1,067
Malawi	7,110	7,846	717	880
Tanzania	14,145	14,615	3,221	3,374
Uganda	10,851	13,927	1,988	1,876
Yemen	9,966	6,689	522	500
Zambia	3,435	3,761	1,062	763
Zimbabwe	4,919	5,204	454	482
	77,656	79,035	11,511	11,270
West Africa				
Ghana	5,526	5,645	362	426
Nigeria	17,012	15,449	7,621	6,199
Sierra Leone	4,472	4,656	509	566
Burkina Faso	4,515	4,024	334	378
Mali	6,749	5,815	717	681
Niger	3,407	2,654	236	163
DRC	2,456	1,394	181	78
Senegal	4,843	4,413	521	561
	48,980	44,050	10,481	9,052
Asia				
Afghanistan	2,297	3,567	456	860
Bangladesh	5,531	6,700	626	1,060
China	940	1,254	60	103
India FRHS	4,834	4,224	1,786	1,844
Mongolia	956	1,067	197	244
Myanmar	5,326	5,039	416	440
Nepal	4,256	4,439	546	706
Pakistan	6,105	6,654	983	1,235
Vietnam	5,667	5,691	2,448	2,471
	35,912	38,635	7,518	8,963
Pacific Asia				
Cambodia	1,433	1,679	57	52
Papua New Guinea	3,158	6,723	102	189
Timor Leste	1,465	2,036	45	70
Australia Programmes	1,695	1,883	–	–
	7,751	12,321	204	311
Social marketing				
India PHS	4,298	10,102	2,075	5,812
India ISM	438	1,170	221	710
Sri Lanka	450	404	70	82
	5,186	11,676	2,366	6,604
Total country programmes	175,485	185,717	32,080	36,200
Self-sustaining				
UK & Europe	30,186	30,395	188	217
Options	19,662	16,274	–	–
Australia	23,750	22,822	151	162
Other self-sustaining	9,723	11,374	273	277
	83,321	80,865	612	656
Global Support Office	20,969	22,005	–	–
Sub-grants to partners	15,347	13,338	–	–
Other global income under GAAP	(682)	6,341	–	–
Total	294,440	308,266	32,692	36,856

The income numbers are presented by programmatic unit, not under GAAP. The Global Support Office (GSO) is presented in total at the foot of the table, although the team members comprising the GSO are spread throughout the regions.



LOOKING FORWARD

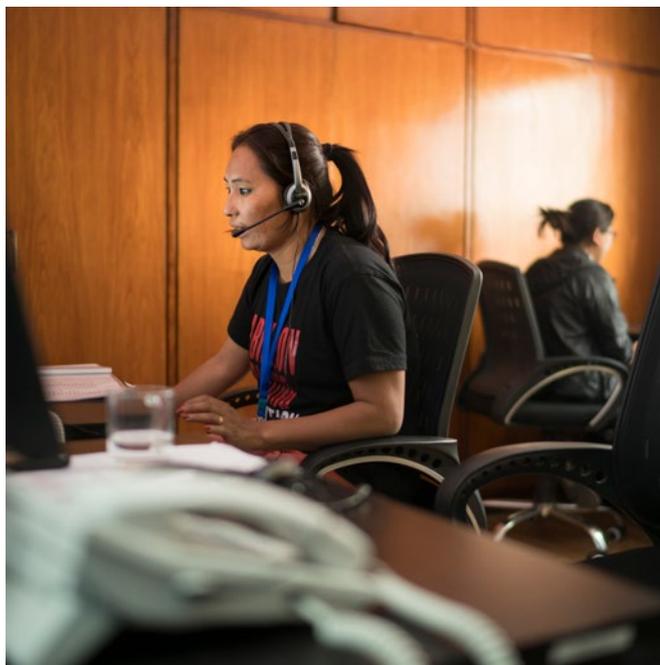
MSI 2030

In November 2020, we launched our new strategy *MSI 2030: Your Body, Your Choice, Your Future*, setting out our ambition of making reproductive choice a reality for everyone by the end of the decade.

The strategy was the result of intense consultation and debate about how MSI should adapt to deliver even greater impact in the decade ahead. We spoke with our clients, our team members, our partners, and we went further afield, beyond our sector, to challenge ourselves to think of innovative ways to solve old problems.

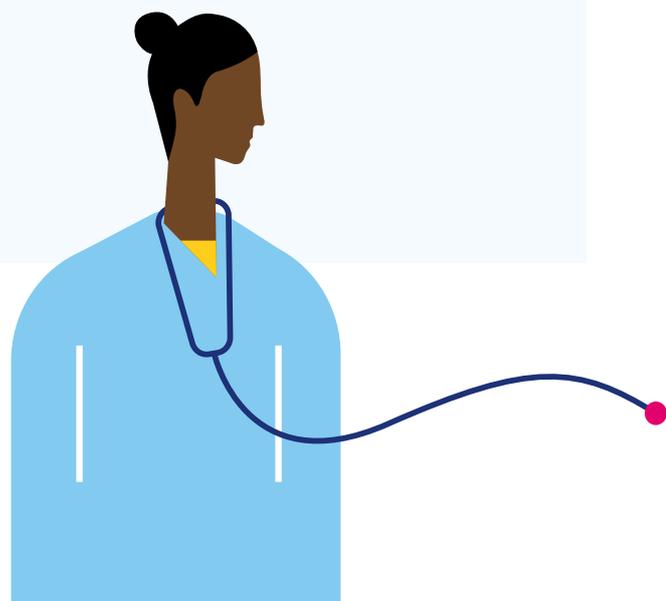
The vision we arrived at for the next decade is bold but simple: By 2030, no abortion will be unsafe and everyone who wants contraception will have it. We are committed to ensuring everyone is supported to make decisions about their bodies and their futures: from a choice of contraceptive or safe abortion method, to a choice over where and how to access care.

We know that this can be achieved, but it will require us to work differently and to adapt to our changing world. Our MSI 2030 strategy commits us to being a better partner, to confronting the challenges we face with courage and innovation, and to closing the gap - once and for all - so that everyone is only one contact away from a safe provider.



OUR STRATEGY LAYS OUT SIX GLOBAL GOALS TO SUPPORT THIS VISION:

- **Serve at least 120 million women and girls with voluntary high-quality SRHR services, guaranteeing that 80% will be those with the greatest need.**
- **Ensure 1 in 4 women have their demand met for contraception by MSI or an MSI-supported service in the countries where we work.**
- **Support the elimination of unsafe abortion by ensuring 1 in 3 women who have an abortion will access it from a safe MSI or MSI-supported product or service, whilst enabling others to provide safer services.**
- **100% of MSI country programmes will achieve “gold standard” in MSI’s three quality indices: Clinical Quality Score, MSI Abortion Quality Index and Client-Centred Care by 2025.**
- **100% of the countries where we work will have improved access to SRHR by MSI actively influencing laws, policies and the enabling environment.**
- **Build greater sustainability by generating at least 35% of all MSI programme revenue from product sales or service income.**



SIX PILLARS FOR SUCCESS

MSI 2030 is designed around three 'Access' pillars (the 'what') for sustainable service provision, and three 'Enabling' pillars (the 'how') that ensure we have the funding, partnerships and organisational transformation necessary to deliver not only our goals, but to eliminate systemic gaps.





LEAVE NO ONE BEHIND

We will reach further than ever before, delivering services to communities with no other access via our outreach teams, while tailoring services to ensure high quality care is accessible to all. We will build a pathway to sustainability, by partnering with the public sector to increase their sexual and reproductive healthcare provision and support a shift to national ownership of reproductive healthcare and rights.

STRENGTHEN PRIVATE SECTOR PROVISION

We will connect private sector providers through sustainable, collaborative and integrated women's referral networks, ensuring every client is only one contact away from a safe service. To ensure long-term provision, we will achieve financial sustainability in our centres, diversifying the services we provide and setting the bar for what quality client-centred care looks like.

CLIENT-POWERED SEXUAL AND REPRODUCTIVE HEALTHCARE AND RIGHTS

For over 40 years, MSI has been a pioneer in de-medicalising reproductive healthcare – trusting women to make the choices that are right for them. The technology exists to eliminate unsafe abortion, including outside of facilities, via telemedicine or pharmacy provision, and we will ensure these routes are safe at scale.

FUNDING THE MISSION

We will diversify our funding base to amplify our impact, making the case to new partners for why reproductive choice is key to building a better, more equal world for all. We will also focus on increasing our programme service income and stewarding our finances to provide value for money.

PARTNERSHIPS AND ADVOCACY

We will work across community-based, governmental and global partnerships to be an influential advocate for change, collaborating to remove the unnecessary legal, medical and regulatory restrictions that prevent access to timely reproductive healthcare, and cost lives.

TRANSFORMATIONAL ORGANISATION

We will listen to, design with, and be fully responsive to our clients and providers, transforming our use of digital technologies to deliver world-class, client-centred care. We will invest in our people and put diversity and gender equality at the forefront. And we will shift decision making away from our London support office, harnessing local and national connections to guide our organisation and create transformational change both for the clients we serve, the team members who power us and the broader environment in which we work.



A NEW NAME FOR A NEW STRATEGY

When we launched MSI 2030, we chose to do so alongside a new name for our organisation: MSI Reproductive Choices.

Marie Stopes was not our founder. Our organisation was started in 1976 by Dr Tim Black, Jean Black and Phil Harvey, who opened their first clinic on the site of the original Marie Stopes Mothers' Clinic in central London. They named the organisation in recognition of the origins of that historic building and Marie Stopes' legacy as a pioneer of family planning. However, Marie Stopes herself was also an advocate of eugenics and expressed opinions which are in stark contrast to MSI's core values and founding principles.

Although a change had been under discussion for some time, the events of the past year and the critical global conversations about race and diversity reinforced to us that changing our name now was the right decision.

By retaining the acronym MSI, an established, trusted name in reproductive healthcare, we are able to protect access for women and girls who see our brand and blue door as an emblem of where they can seek a safe service. It also allows us to maintain a connection to our past, to our work over the past 44 years and to our founders, whilst the descriptor Reproductive Choices reflects exactly what we do and states proudly what we stand for.

You can read our full strategy at www.msichoice.org



OUR GOALS FOR 2021

As the global pandemic continues to present ongoing challenges, and as we work to mitigate the impact of cuts to the UK aid budget which affect not only our frontline delivery teams but also our commodity supplies, the priority for MSI's leadership will be our preserve, protect and secure strategy.

We will also concentrate on a successful first year of our new strategy – MSI 2030 – with a focus on:



TECHNOLOGY INVESTMENTS TO GET US FIT FOR THE FUTURE.

Diversification of funding sources, and increased investment in generating a future pipeline.

Continue our strong focus on the sustainability of our centres.



SOCIAL MARKETING / PHS INDIA RECOVERY.



STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION OF THE CHARITY

MSI Reproductive Choices is a charity registered in England and Wales, constituted as a company and limited by guarantee. The charity is governed in accordance with its Articles of Association.

CHARITABLE OBJECTIVES

The objectives of MSI Reproductive Choices are:

- To provide sexual, reproductive, maternal and general health services, including advice, information, education, training, counselling, advocacy, screening, clinical and medical services and treatment;
- To reduce maternal mortality, relieve sickness and preserve physical, mental and sexual health and prevent poverty and distress resulting from unplanned conception; and
- To carry out and/or promote the carrying out of research relating to sexual and reproductive health, maternal and general health.

PUBLIC BENEFIT

MSI Reproductive Choices enables women to have children by choice, not chance. The organisation's charitable objectives, aims and strategy provide public benefit through:

- **Advancing health and saving lives**
- **Advancing human rights**
- **The prevention or relief of poverty**

The Trustees confirm they have given due consideration to the Charity Commission's published guidance on public benefit and have taken it into account in reviewing the organisation's future plans and strategy. The Board is satisfied MSI's activities are carried out wholly in pursuit of its charitable objectives.



ORGANISATIONAL STRUCTURE

MSI Reproductive Choices is a global organisation providing high quality, affordable contraception and safe abortion services across 37 countries. It is constituted as a charitable company limited by guarantee.

MSI Reproductive Choices (the Charity) - or the Company for the purposes of company law - refers to MSI Reproductive Choices' UK operations (its abortion and family planning clinics and the Global Support Office) and MSI's 20 international branch offices. The Global Support Office provides support and technical assistance to programme operations in 37 countries worldwide.

MSI Reproductive Choices (the Group) refers to the Charity and subsidiary entities. The Group is also referred to as the MSI Partnership or the Partnership. Unless otherwise stated all references to MSI refer to MSI Reproductive Choices (the Group).

The Charity's material subsidiaries are listed in note 20 (a full list is available at our registered office) and MSI Reproductive Choices' investment in subsidiaries is contained in note 10b.

During 2020, the group changed its name from Marie Stopes International to MSI Reproductive Choices. This took immediate effect for the MSI parent Charity and branch offices. The names of subsidiary entities will be updated when appropriate.

OUR BOARD AND GOVERNANCE

The Board of Trustees provides MSI Reproductive Choices with governance and strategic oversight. The Board meets three times a year as a minimum for a full day meeting, and more often where required. During 2020, particularly as the COVID-19 crisis emerged, the Board met frequently.

MSI's Board of Trustees is made up of individuals who are leaders in their field and committed to the organisation's mission. Their backgrounds include senior level experience, both within the UK and abroad, in the commercial health sector; clinical and teaching experience in women's reproductive health; leadership in the non-profit sector; business; finance; government; and advocacy.

In March 2020, Glenda Burkhart joined MSI Reproductive Choices as the new Chair of the Board. Glenda brings a wealth of experience from both the not-for-profit and commercial sectors, as well as a long-term passion and commitment for women's health and reproductive rights. Tim Rutter, who first joined MSI in 1988, stepped down as Chair after 23 years on the Board and 15 years as Chair. During this time, Tim served as a consultant initiating many of our programmes and served as the international medical advisor for nine years travelling extensively across five continents. As a UK and European registered specialist in Obstetrics and Gynaecology, Tim drove MSI's focus on quality and brought energy and technical rigour to everything he did.

The Trustees periodically review the skills and experience necessary for the Board to be effective. When the Trustees identify the need for a new Trustee, the Trustees identify potential candidates; interview the potential Trustee(s) to establish their suitability and commitment; and undertake vetting. The potential Trustee is then invited to be an observer at the next Board meeting, after which the Trustees may formally invite the selected candidate to become a Trustee.

MSI provides an induction programme for new trustees. In addition to introducing MSI's mission, goal, finances, strategy and health service portfolio, legal responsibilities are also covered, including the relevant Charity Commission guidance. All Trustees participate in anti-fraud and bribery training and safeguarding training, and where possible visit one of our programmes in operation.

THE TRUSTEES WERE CLOSELY INVOLVED WITH THE STRATEGIC PLANNING PROCESS THAT CULMINATED IN THE NEW TEN-YEAR STRATEGY: MSI 2030: YOUR BODY, YOUR CHOICE, YOUR FUTURE.

SECTION 172 STATEMENT

The Trustees have considered, both individually and collectively, their duty to promote the success of MSI in pursuit of its charitable objectives, as detailed in section 172 of the UK Companies Act 2006. Specifically, the Trustees have discharged their duties through consideration of the matters below.

- The Trustees were closely involved with the strategic planning process that culminated in the new ten-year strategy: *MSI 2030: Your body, Your choice, Your Future*, and the subsequent review and update to the organisation's Strategic Risk Register. The Trustees consider the long-term consequences of decisions through MSI's risk management process as described on pages 46-47. In addition, operational decisions that have a potential long-term impact are escalated by the CEO to the Board, such as new funding above an agreed threshold, buying or selling of property and the discontinuation of programme activity. During the onset of the COVID-19 crisis, the Trustees met frequently to discuss the adoption of the 'Preserve, Secure, Protect' approach and MSI's response to the changing context of each programme.
- Trustees had oversight of the strategic planning process, during which team members from across the organisation participated formally through several working streams, and informally via a partnership-wide open consultation. The Trustees also review employee engagement scores at Board Meetings, receive regular updates from the senior leadership through the Board sub-committees, and the Chair reviews succession planning with the CEO. These activities all ensure the Trustees take employee interests into account in their decision-making. Further information on our staff engagement strategies are described in the People section on page 50.
- MSI's relationships with our stakeholders, whether our clients, donors, implementing partners or suppliers are crucial to the delivery of our mission. The Trustees consider relationships with stakeholders through the annual cycle of information provided by management, and also by direct engagement with stakeholders within their area of expertise. Our clients are our central stakeholder, and the MSI Client Exit Interviews capture information on their needs and their feedback on the services we provide. This can be used to inform our future programme and service design. Stakeholder interviews were undertaken as part of our strategic planning, and annually MSI holds a 'Donor Day', which allows both formal and informal discussion and feedback. In line with our values, all our partners and suppliers must comply with our Business Partners Code of Conduct.
- The Trustees carefully consider the impact of MSI on our communities and the environment. Our 'Being Accountable' section on page 44 describes MSI's ethical and accountability initiatives, including joining the UN Global Compact, our commitment to Safeguarding, our Anti-Fraud and Bribery programme, and our anti-modern slavery programme. In addition, MSI's new strategy commits us to 'leave no footprint', and in 2020 new environment and sustainability principles were adopted.

The Board has delegated specific responsibilities and activities to four sub-committees. These are the International Clinical Governance Committee, the Finance Committee, the Audit Committee, and the Remuneration and Nominations Committee. Membership of these Committees is appointed by the Board, and the chair of each committee reports back to the Board at each Trustee meeting. The committee structure is as follows:

Members	Required attendees	Purpose
The International Clinical Governance Committee		
Claire Morris (Chair)	CEO	To oversee client safety
Glenda Burkhart	COO	To review the clinical performance of international programmes
Fiona Duby	Global Medical Director	To review the results of clinical quality audits
Jess Search		To ensure MSI responds to clinical issues raised in client surveys, serious untoward incidents and clinical incident reports
Finance Committee		
Frank Braeken (Chair)	CEO	To provide oversight of the financial performance and position of the group including annual business plan, results, global supply chain, global information services, major business cases and investment decisions.
Glenda Burkhart	CFO	
Phil Harvey	COO	
Audit Committee		
Kristin-Anne Rutter (Chair)	CEO	To oversee the group's Strategic Risk Register and sources of assurance
Mohsina Bilgrami	CFO	To ensure an effective group audit function is in place
Glenda Burkhart	COO	
Fiona Duby	Director of Internal Audit External auditor	To assist in formulating the assurance needs of the Board
Remuneration Committee		
Glenda Burkhart (Chair)		To approve remuneration arrangements for the CEO
Mohsina Bilgrami		To oversee succession planning and development for the CEO and senior management
Frank Braeken		To oversee and review group HR policies and practices
Phil Harvey		
Tim Rutter (Advisor)		
Nominations Committee		
Phil Harvey (Chair)		To identify and make recommendations to the Board on candidates for appointment as Trustees
Frank Braeken		
Glenda Burkhart		To oversee succession planning for trustees

The Trustees serving in the year ended 31 December 2020 and up to the date of signing this report are noted on page 55.

The Executive Team, based mainly in London and led by the Chief Executive Officer, is responsible for the implementation of the strategic direction and for the group's operational management. The Executive Team reports via the CEO to the Board of Trustees as required.

MSI Reproductive Choice's subsidiaries have their own Boards of Trustees (or Directors), which fulfil local statutory and regulatory requirements, and provide a further layer of robust governance. Operationally each branch and subsidiary has a senior management team headed by a Country Director who reports into the Global Support Office. MSI Reproductive Choices UK, which is a division of the parent charity, reports to the MSI Board of Trustees through the group CEO who chairs the UK Divisional Board.

BEING ACCOUNTABLE

'Accountable' is one of our values, and 'Speaking up' is part of our culture. Ensuring our staff, clients and partners have an appropriate channel to voice concerns is key in maintaining a safe and ethical workplace. In all our operations globally, any concerns regarding safeguarding, or fraud, bribery or corruption, breaches of the law or other incidents that make team members feel uncomfortable can be confidentially reported in person, via telephone or online. We use an independent whistleblowing hotline, *Safecall*, to provide an all-hours service, toll-free wherever possible. All staff are trained in 'speaking up' and the communication channels are promoted in all MSI sites. All reported incidents are documented and managed by the appropriate MSI lead, depending on the nature of the report. Reporting is reviewed by the Audit Committee of the Board.

In 2019, MSI joined the UN Global Compact, confirming our support for the Compact's 10 principles. We pledged to participate in and engage with the Compact, to continue strengthening our worldwide global policies relating to human rights, labour, anti-fraud, corruption and bribery, and to maintain appropriate systems to minimise environmental damage. In March 2021 MSI published its first Communication on Engagement setting out how it engaged with the principles.

This can be found on the website of the UN Global Compact.

As an organisation that promotes the rights of women and girls, MSI Reproductive Choices is absolutely opposed to modern slavery and human trafficking in all its forms. In addition to our modern slavery policy, accompanying training and global due diligence programme, MSI is committed to reviewing approaches to managing modern slavery risk throughout procurement and supply chains. For further details, MSI's Modern Slavery Statement can be seen on our website.

MSI has an appointed Data Protection Officer who oversees Marie Stopes UK division and the Global Support Office compliance with the Data Protection Act 2018. MSI also has a Global Information Lead and has rolled out a global policy with standards, training, support and monitoring to its country programmes. As part of this Global Data Privacy Programme, 31 Country Programme Information Leads are trained and supported to recognise data privacy issues when they arise, train others in frontline roles, and reduce the risk to data privacy wherever possible. Privacy impact assessments are carried out on all new IT or Systems projects, or where new channels are opened with new or different data privacy risks. The Data Privacy Programme sets the MSI standards of data privacy and puts in place organisational measures and safeguards to ensure that privacy is incorporated by design. Through this, the Charity is accountable, transparent, and fair in the way that it processes and protects personal data.

In 2020, MSI's Gender Working Group was renamed to the Women's Equality Network (WEN) to reflect its focus on advancing equality for women and girls whilst recognising and strengthening intersectional gender equality and supporting MSI's diversity, equality and inclusion initiatives. Advancing women's equality includes engagement of men as partners,

as agents of social norms change and as clients. MSI's commitment to advancing gender equality is also part of a broader intersectional approach to diversity and inclusion. Intersectionality is based on the understanding that gender inequality intersects with other forms of discrimination that can act as barriers to sexual and reproductive healthcare, such as race, ethnicity, religion, age, marital status, disability, socio-economic status, sexual orientation, gender identity, caste and social class.

As the world experienced increased gender-based violence during global lockdowns, MSI responded by identifying the need to build capacity in contact centre agents to better support callers who are survivors of sexual and gender-based violence. The WEN developed the approach and key content for a training curriculum, which will be completed and piloted in 2021. Lastly, the WEN focused on enabling the partnership to take the first steps towards achieving MSI's 2030 strategy, with key priorities to be undertaken in 2021 supporting: women's leadership in MSI's country programmes, MSI's diversity, equality and inclusion initiatives (see people section) and building capacity in MSI's SRHR programmes to become gender transformative by 2030.

Although MSI Reproductive Choices undertakes limited activities designed to fundraise from individuals in the UK, MSI is a member of the Fundraising Regulator, and complies with the requirements of the Code of Fundraising Practice for the UK. No third-party fundraisers were engaged in 2020, nor did MSI engage in any door-to-door or street fundraising. No complaints were received.

AS AN ORGANISATION THAT PROMOTES THE RIGHTS OF WOMEN AND GIRLS, MSI REPRODUCTIVE CHOICES IS ABSOLUTELY OPPOSED TO MODERN SLAVERY AND HUMAN TRAFFICKING IN ALL ITS FORMS.

OUR COMMITMENT TO SAFEGUARDING

MSI is committed to safeguarding clients and staff across the global partnership and has a framework in place to prevent and manage incidents of sexual exploitation, abuse, and harassment within MSI's operations. Where incidents do happen, these are quickly identified and responded to in a way which maintains survivor and/or whistle-blower safety and welfare. MSI continuously seeks to learn lessons from reviews of past incidents, developments within the wider safeguarding sector, and from our team members experiences to improve our organisational approach to safeguarding and prevent future incidents occurring.

MSI implements safe recruitment practices and promotes a value-based approach to recruitment supported by background checking procedures to ensure we employ people who treat others with care and respect. Operational best practice for safeguarding is defined for each operating channel. Within the public sector, MSI seeks to complement established safeguarding frameworks, and where necessary advocate for increased safeguarding approaches. All MSI team members and third-party providers receive training at least every two years on safeguarding, which outlines the types of behaviour they are expected to uphold, and how to speak up about and respond to safeguarding concerns. In 2020 new training modules were designed to be delivered to third-party providers within supervision visits.

During 2020, MSI developed a safeguarding protocol for visitors to MSI's service delivery sites to ensure that they adhere to good safeguarding practices and are mindful of the effects of their presence on clients and staff. MSI's Code of Conduct was also revised to further align with MSI's 2030 Strategy and reinforce both the organisation's and team members' commitments to ethical conduct, client care and building an organisational culture which promotes equality of opportunity.

Travel restrictions saw trainers switch to remote training, and new tools launched to support Safeguarding Leads to embed behaviour change and build senior management capacity to recognise and respond to a variety of safeguarding issues.

Safeguarding incident reports have continued to increase since the onset of the programme in 2018 as team members and clients become increasingly familiar with and comfortable using MSI's Speak Up Channels. All reports are reviewed by a Global Safeguarding Decision Committee made up of senior management, who ensure incidents across the partnership are managed consistently, in line with global policy. Within the period 1 January to 31 December 2020, 42 allegations were reported to MSI's Global Safeguarding team to review and investigate. Of these investigations 43% of cases were unsubstantiated, 33% were substantiated, 21% partially unsubstantiated, and one case, where it was decided there was no case to answer. Where required, disciplinary action was taken based on the jurisdiction where the events took place and reports made to authorities as appropriate.

With the onset of COVID-19, research indicated heightened risks of abuse, harassment and gender-based violence (GBV). Safeguarding Leads have circulated messages on the importance of safeguarding throughout the pandemic. Programmes are prepared to sensitively respond to and support clients or staff who disclose experiences of GBV. Where possible MSI will provide first line and care and connect survivors with organisations which can provide specialist support, and we are currently developing training and scripts to support contact centre agents to respond to clients disclosing experiences of GBV via the contact centre.



THE CLIMATE CRISIS

The interlinked climate, environmental and biodiversity crises are real. MSI, alongside the global community, recognises the need to mitigate further changes to the climate, to adapt and build resilience to change, and to protect natural resources and biodiversity. Climate change exacerbates inequality and poverty, and is disproportionately impacting women and girls, and vulnerable communities where we work. MSI's contribution to the fight against the climate crisis is done through:

- The implementation of programmes to support climate adaptation and conservation outcomes. During 2020, internal guidance on programming for conservation, climate change and reproductive choice was developed and shared. In Niger and Madagascar in consortium with partners, teams explored the intersectionality between SRHR and climate resilience. In preparation for the 2021 United Nations Climate Change Conference (COP26), MSI is working with partners to advocate for SRHR inclusion in climate funding mechanisms.
- Ensuring that we mitigate the impact of our operations on the environment - the commitment to 'leave no footprint' has been made under the new strategy MSI 2030. MSI adopted new environment and sustainability principles during 2020, and the COVID-19 pandemic has been an opportunity to embrace new ways of working, in particular the integration of remote working tools to reduce unnecessary travel. Other initiatives are under way to reduce MSI's footprint, and include environmental standards for MSI's global fleet, and solar panel installation on clinics and support offices to increase use of renewable energy.

MSI is reporting UK energy and carbon use for the first time under the new UK Government Environmental Reporting guidelines. In total, relevant emissions in the 2020 financial year are 581 tonnes of CO₂.

Energy and Carbon Report (SECR)	2020
Total UK energy use	2,814,086 kWh
Total CO ₂ emissions	581 tCO ₂
CO ₂ emissions per m ² floor space	72 kg CO ₂ per m ²

An intensity ratio of kg CO₂ per m² has been chosen because MSI's UK energy use is dominated by the heat and lighting required to run our UK support office and UK clinic network. Actual electricity and gas usage was collected from billing information, and land transport from mileage reports in our expenses system. UK Government GHG Conversion Factors have been used to derive carbon emissions, and for land transport also for underlying energy use.

Although MSI adopted new environmental principles in early 2020, COVID-19 disrupted MSI's ability to take energy efficiency actions in the UK during the period. For example, staff were encouraged to avoid public transport and utilise private cars when travelling between UK clinic sites. However, due to remote working, the energy use of the UK and global support offices decreased.

RISK MANAGEMENT

The Trustees are responsible for the management of risk. Risk management ensures strategic risks are identified and monitored, allowing informed decision making and timely action. MSI seeks to reduce risks that are a threat to the delivery of objectives and put in place actions that address the likelihood and impact of each risk to an acceptable level. MSI is committed to establishing an organisational culture where risk management is an integral part of every activity and all staff understand they have an important role to play in escalating risk, and in ensuring risks are managed effectively.

With 2020 bringing the conclusion of the five year 'Scaling Up Excellence' strategy and the launch of the new ten year *MSI 2030: Your body, Your choice, Your future* strategy, the year was planned to have a thorough review of the significant risks facing the organisation through this strategic change. However, MSI did not have a global pandemic on its Strategic Risk Register and had to adapt fast. Having first established a separate COVID-19 register in early 2020 and activated its crisis management team as the disease spread, the risks MSI continues to face now are fully integrated within the main register.

Throughout 2020, the Executive Team reviewed the Strategic Risk Register at a dedicated meeting at least every two months. Where a more thorough understanding of a risk and any mitigating actions was required, a member of the Senior Leadership Team attended the Executive Team meeting to present the risk. Towards the end of 2020, MSI began to bring the Senior Leadership Team and Executive Team together to discuss strategic risk, improving understanding and the cascade of mitigating actions. In early 2021, via a series of workshops, the register has been realigned to the new strategy, although the key organisational risks have remained broadly consistent.

Risk management performance is monitored by the Audit Committee, reviewing the management process once per year and the Strategic Risk Register at least three times per year. The Audit Committee Chair reports on risk at each MSI Board meeting. Key Risk Indicators are reported quarterly for each of the risks described in the Strategic Risk Register, and these, together with any trends in the movements and assessments of each risk are used to inform risk management performance. Group Internal Audit provides independent, objective assurance on the effectiveness of MSI's risk management, internal controls and risk governance processes.

Principal risks and uncertainties

Risk	Controls and Mitigations
Portfolio risk: large programme failure impedes scale	<ul style="list-style-type: none"> » Identification of critical programmes » Additional review and oversight up to Audit Committee
Adverse clinical outcomes, including client death	<ul style="list-style-type: none"> » Global clinical quality assurance programme » Global clinical incident reporting framework » MSI product quality standards and field testing » Global tracking of provider competency and assessments » Additional obstetrics guidelines and targeted support » Governance structure with clear lines from “ward to Board”; the Global Medical Director reporting on clinical quality at each Board Meeting
Lack of sustainable access to donated commodities	<ul style="list-style-type: none"> » Quarterly commodity security review, supply gap analysis and demand forecasting including impacts from COVID-19 lockdowns » Pro-active engagement for granted commodities in developing countries and advocates for government allocations » Register core MSI branded products in key country markets
Non-viable commercial channels lead to closures or working capital consumption	<ul style="list-style-type: none"> » Centres sustainability strategy including launch of diversified services » Increased oversight at Executive level and CFO approval for working capital investment
Insufficient donor funding to fulfil strategic objectives	<ul style="list-style-type: none"> » Proactively review and manage the donor funding pipeline » Invest to diversify income via new relationships and domestic financing » Quantify the financial and service delivery impact of losing key donors and develop mitigating strategies. » Secure maximum flexibility required for delivery under COVID-19
Insufficient reserves to ensure organisational resilience	<ul style="list-style-type: none"> » Maintain liquid free reserves within policy target » Minimise cash holdings in country programmes » Maintain working capital facilities » Invest in efficient processes and technology » Monitor and mitigate financial risks arising from COVID-19
Risks posed by complex geo-political situations or the opposition	<ul style="list-style-type: none"> » Global Security Framework and Crisis Protocols » Support country teams with resilience and influence activities » Regular compensation review to position MSI competitively
Inability to recruit or retain talent for critical roles	<ul style="list-style-type: none"> » Global Recruitment strategy » Succession planning for critical roles » Regular compensation review to position MSI competitively
Major cyber-attack or information systems failure	<ul style="list-style-type: none"> » Infrastructure roadmap for MSI 2030 including ‘Modern Workplace’ and ‘Connectivity’ initiatives » Global cyber security policy, software, monitoring, penetration testing, and team member training
Fraud, corruption, theft, risk of overstating results and unethical practices	<ul style="list-style-type: none"> » ‘Speaking Up’ culture and use of independent reporting channels » Dedicated Safeguarding Team » Comprehensive global Anti-Fraud and Bribery programme » Data Governance review and launch of updated validation standards
Non-compliance with statutory, regulatory or data protection requirements	<ul style="list-style-type: none"> » Independent reviews of UK and global corporate governance » Country programme governance review and compliance dashboard » Global Data Privacy Programme with trained Information Leads

QUALITY

Quality was one of the three pillars in MSI's Scaling-Up Excellence strategy and is a key performance metric for all Country Directors across the partnership.

The Medical Development Team (MDT) sets and monitors the clinical standards for all MSI's core services as well as the quality of medical products and pharmaceuticals. MDT's oversight covers all MSI's international and commercial programmes, excluding the UK and Australia which have their own separate clinical governance structures reporting via their country leadership into the CEO and to the Board of Trustees. Six regional medical advisors, each a senior clinician with international experience, support the international programmes to maintain clinical quality across their services under the management of the Head of Clinical Support.

The quality assurance system is based on key clinical policies and guidelines. MSI programmes adherence to these policies and guidelines is monitored through a number of mechanisms that include a clinical competency management system with a competency-based training approach, clinical audits, an incident management system, mandatory self-reporting systems and a quality-enforcement notice system. There are separate systems to oversee the quality of medical products and pharmaceuticals.

These standard quality assurance mechanisms suffered a blow in 2020 due to the pandemic, with international travel restrictions making it near impossible for regional medical advisors and assessors to conduct overseas quality technical assistance (QTA) visits and competency assessments. The team was pushed to find creative remote solutions to maintain quality assurance systems. In mid-2020 the first remote competency assessments and internal clinical quality audits were carried out in Nepal and Malawi. These have since been scaled up to full clinical audio-visual assessments (CAVA), covering the competency assessment and quality assurance of all core clinical services. To ensure the safety of clients and staff members as COVID-19 took hold, mini-CAVAs focussing on infection prevention measures were also carried out in several programmes. The process allows MDT's pool of remote assessors unobtrusively observing clinical services via video link. In addition to saving time and money, and reducing our carbon footprint, CAVA will allow us to triangulate the findings alongside other data systems such as the Q-Trak system for recording products used in service provision, and to continually improve the quality of the assessments themselves. CAVA will be rolled out across the full partnership in 2021, with over 100 remote assessments set to be completed.

2020 saw a record number of providers and services accounted for within our competency assessment and training databases; by the end of the year, 87,045 competency assessments had been completed across the partnership. The databases are reviewed quarterly, and all are stored in our central systems, allowing MDT to regularly review and monitor them. So that support can be offered where providers have gaps in their skill set, MSI continues to maintain its clinical training cascade, and 36 clinical master trainers are in place in 25 programmes across the partnership.

2020 was the second year of MSI's pharmaceutical field-testing initiative, a system implemented to test samples of abortifacient medication collected from service delivery points. Of 43 samples tested throughout the year, all were found to be of good quality. Learnings from the initiative were published in the International Journal of Gynaecology and Obstetrics, showcasing our sector-leading standards in assuring abortifacient product quality.

Continuous learning is an important pillar of MDT's work, and a large part of this involves the reporting of and dissemination of learnings from clinical incidents. While not quite as many incidents were escalated to MDT in 2020 as in 2019 (10% lower than the previous year), the dip in reporting correlated with a drop in service numbers as the pandemic took hold. To recognise clinical best practice across the partnership, MDT continues to share newsletters highlighting key learnings and achievements, and in 2020 launched the Awards in Clinical Excellence to recognise programmes making exceptional efforts to mitigate clinical risk and ensure client safety. The Foundation for Reproductive Health Services India took the first ever gold award for excellence in clinical service provision, with Marie Stopes Vietnam and Marie Stopes International Organisation Nigeria taking the silver and bronze awards respectively.

TO ENSURE THE SAFETY OF CLIENTS AND STAFF MEMBERS AS COVID-19 TOOK HOLD, MINI-CAVAS FOCUSING ON INFECTION PREVENTION MEASURES WERE ALSO CARRIED OUT IN SEVERAL PROGRAMMES.



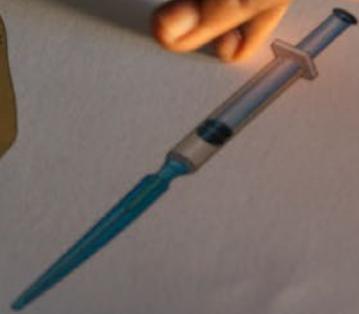
Injectable Contraceptives

Lasts 2 – 3 months

Very effective – if used carefully

May cause bleeding between periods, may stop monthly bleeding with long term use

May take a year before you can get pregnant after stopping



OUR PEOPLE

Every single one of our team members has been affected in one way or another by the pandemic. We want to take a moment to recognise those who have experienced loss during this past year – and remember those who have died.

For team members providing frontline healthcare, the pandemic posed immediate challenges, from the need to access PPE to permits for passing lockdown roadblocks. Meanwhile, usually office-based team members moved to home-based working. In recognition of the potential impact of the ongoing pandemic on the mental health of our team members, MSI introduced a number of initiatives, training and events aimed specifically at supporting team members with managing mental health and wellbeing, while equipping line managers with the information they need to be able to support their teams. Over 50 mental health first aiders were trained in the London Support Office and regionally across the partnership.

To ensure continued collaboration between our programmes and teams, we moved to more digital and agile ways of working, introducing Microsoft Teams globally for effective virtual meetings, and utilised internal communications channels including MSI's global intranet and newsletters to keep team members informed. In tandem, our Senior Leadership Team (SLT) were kept updated via our SLT forum, enabling key information to be disseminated vertically. Regular updates on MSI's financial position were shared through town hall meetings, ensuring all team members are updated on issues that may potentially impact company performance or funding.



To support ongoing feedback from team members to senior leadership, MSI introduced the Team Member Council at the Global Support Office, creating a consolidated channel for team members to share feedback, insights, and ideas regarding employee experience at MSI. This feedback is then discussed with HR representatives so that responses can be provided, or action taken, as needed.

At MSI, we are committed to creating an inclusive environment with a workforce that is representative of the communities we serve. We are proud to be an equal opportunities employer who gives equal consideration to all qualified applicants without regard to race, ethnicity, religion, gender, gender identity or expression, sexual orientation, national origin, disability, or age. We are dedicated to compliance with all fair employment practices, including citizenship and immigration status.

To that end, the Transformational Organisation pillar of our 2030 strategy included key objectives across diversity, equality, and inclusion. MSI recently launched a Global Diversity, Equality and Inclusion Panel (GDEIP), made up of team members from across the partnership with diverse professional and personal backgrounds. The GDEIP is designed to drive improvements in MSI's approach to Diversity, Equality and Inclusion (DEI) across the partnership, providing valuable insight into how we can prioritise and achieve our strategic goals and achieve meaningful change. It allows MSI to look at DEI from a global perspective, while recognising the ways that social categorisations can create intersecting forms of discrimination and disadvantage. All programmes and support functions are now in the process of designing bespoke DEI strategies that are sensitive to context and culture, with the aim of reaching both local and global objectives. Through the development of local strategies and accompanying action plans, and in conjunction with the work of the GDEIP, we will develop global DEI metrics that support our 2030 strategic goals.

As part of this commitment, in 2020, we performed a benchmarking exercise through Birches Group, to ensure fair pay and remuneration across the organisation. The exercise provided us with multi-sector data regarding every role within the Global Support Office. Additionally, we completed a benchmarking report for the CEO, COO and CFO remuneration packages, using publicly available data relating to similar organisations in the UK and US. This benchmarking report was submitted to MSI's Board for review, to monitor the salaries of our Executive team against the market in which we operate and organisations that are comparable for both annual income and number of employees.

For our Executive Team, pay reviews were aligned with MSI's established annual salary review process, through which a percentage increase is determined in accordance with the performance rating achieved. The salary increase for the CEO was determined by the Board of Trustees. The element of Executive pay that is 'at-risk' was subject to specific individual performance criteria set at the start of 2020, and the actual amount paid out is aligned with achievement of these criteria. The percentage of 'pay at-risk' varies for each Executive Team member and is determined by the CEO in conjunction with the Board of Trustees.

For Global Support Office team members, MSI's discretionary company bonus scheme is designed to provide eligible team members with a one-off lump sum payment if the organisation meets its business plan for the relevant year. Unfortunately, due to the impact of the pandemic, MSI's 2020 business objectives were not met, so staff bonuses were not paid in March 2021.

Across the global partnership, our teams have been affected by the difficult funding environment in the wake of COVID-19 and changing priorities from donors and funders. This led in part to a restructure of our global support office to support new priorities as outlined in our MSI 2030 strategy, and to ensure that we maintain a high level of support to country programmes within the funds we have available. In total, 14 team members from the Global Support Office were affected by these changes and unfortunately made redundant in late 2020.

Gender equality is foundational to our mission, and we are fully committed to ensuring that there are no barriers or biases in place at MSI Reproductive Choices that deny equality of opportunity to women or any other group in society. Therefore, we continue to welcome gender pay gap reporting to identify potential discrepancies. Though we have seen some improvement in our London Support Office, with the median pay gap dropping from 12.2% to 4.8% since the first year of reporting (a period of three years), the gap within MSI UK remains high at 35.1%. This is predominantly due to structural issues, such as the much higher proportion of males in senior clinical roles in abortion care, resulting from a lack of female representation within the wider labour market for these positions. This requires longer-term change within institutions across the healthcare sector. However, as an organisation we remain committed to reducing the gap and are focused on supporting women into more senior leadership roles and continuing to analyse the data to identify any potential internal causes for the existence of pay gaps and forming action plans to address these where appropriate.

Additionally, we are looking to undertake ethnicity pay gap reporting using the same methodology in the future. Though this is not yet a mandatory requirement, we believe it is important to achieving our strategic goal of zero racial/gender pay disparity for roles of equal value and comparable capability/experience.

We would like to recognise the difficult contexts in which our team members worked, and the resilience and perseverance shown. With challenging political and security environments, MSI utilised our Crisis Management Team, comprising experts from across our global support offices and in-country management, to support team members through crises, ensuring safety, security, and business continuity. When the pandemic arose, a committee was established to support teams in responding to COVID-19 and ensure we are taking the necessary precautions to continue to deliver care to the people who need our services, wherever we are able to. For example, prioritising the safety of our clients and staff, we organised the rapid provision of PPE and changes in operational practices to ensure appropriate distancing, and hand and respiratory hygiene measures.

Despite the challenges, in 2020, MSI team members across the global partnership demonstrated determination in overcoming the obstacles created by the COVID-19 crisis, displaying teamwork, ingenuity, care for others, and the taking of opportunities that have protected access to the communities we serve, when needed most. This is what we will bring with us into the new decade. Our next strategy will take advantage of digital technologies to become a more agile, empowered organisation, with an emphasis on people skill development and ensuring everyone has an equal opportunity to thrive.

⁹In 2020 MSI, the mean gender pay gap in our global support office increased from 9% to 11.5%, as although 59% of roles in the top pay quartile and 75% of roles in the upper middle quartile are held by women, the top quartile has proportionately more men than the three below. Meanwhile the mean gap in our UK clinic network dipped slightly from 66.2% to 63.3%.

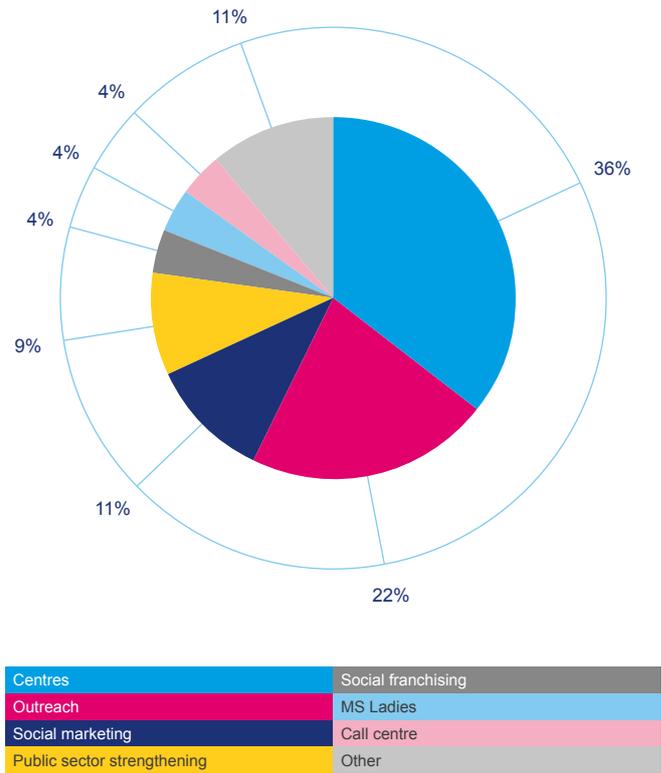
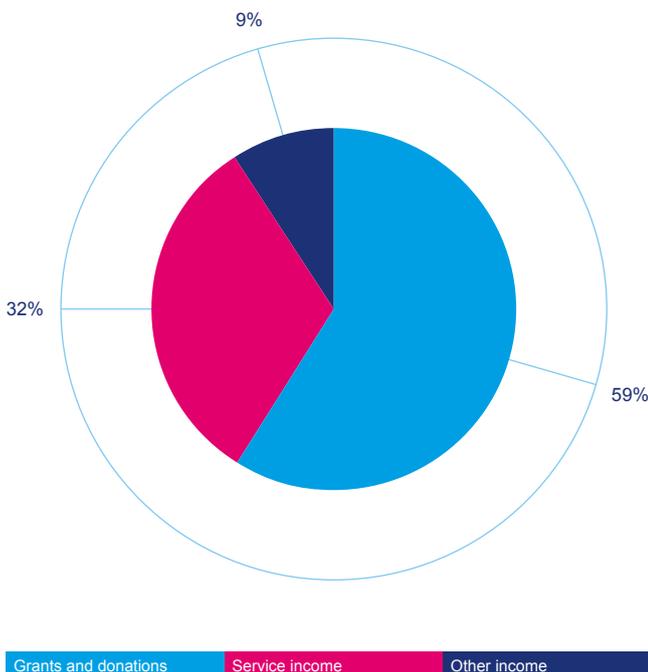
FINANCIAL PERFORMANCE

INCOME

In 2020, MSI secured total income of £294.4 million, a decrease of 4% from £308.3 million in 2019. Donations income increased to £10.0 million in 2020 from £8.8 million. Grant income showed a decrease to £152.3 million from £160.4 million, in part due to average increased strength of the GBP throughout the year and in part due to reduced activity under COVID-19 affecting performance related grant income. As part of MSI's 'preserve, protect, secure' response to COVID-19, the donor teams worked hard to ensure donor support on payment by results projects despite interruptions to delivery. Several existing donors provided additional support to cover increased costs of working such as the purchase of PPE and transport costs.

Contributions of donated supplies and equipment decreased from £17.0 million to £13.6 million, indicating how essential the supply of granted family planned commodities (either directly from institutional donors such as UNFPA or through government allocations) are to MSI's service provision. In 2021, the UK government announced substantial cuts to UNFPA's funding, and MSI anticipates the need to purchase more commodities directly in the future.

Earned service income decreased by 4% in the year, from £115.6 million to £111.3 million. In March 2020, programmes faced rolling lockdowns and shutdowns under COVID-19 and service income generating activities were significantly affected. MSI rushed to ensure services were designated as 'essential' and adapted new service delivery models. The largest impact was in our social marketing programme in India, with income dropping from £10.1 million to £4.3 million, partly as we had consciously decided to reduce our market exposure to distributors in India ahead of the pandemic. MSI continues to focus on growing earned income in relevant channels as donor funds reduce, so as to ensure the sustainability of our services. A regional split of income can be found on page 35.



EXPENDITURE AND SURPLUS

Expenditure decreased by 4% to £288.1 million from £301.4 million, in line with the fall in income. However, this was not evenly distributed across the group with some programmes significantly impacted by COVID-19, such as PHS, our social marketing programme in India. Whereas Nigeria grew in turnover by approximately 10% and DRC, MSI's newest programme, grew by 76%.

Overall investment gains of £1.4 million (2019 – gain of £1.8 million) for the year reflect a good performance, despite a dramatic fall in the first quarter of the year. Overall group operating surplus of £7.7 million compared with a prior year surplus of £8.7 million.

Overall net movement in funds increased by £2.9 million compared with an increase of £7.0 million in the previous year. This growth takes total balance sheet reserves to £121.6 million.

CASH AND DEPOSITS

Cash and short-term deposits increased in 2020 by £18.7 million to £132.4 million. Most of these funds are cash received in advance for donor projects and obligated against specific activities. Of the total cash balance, £79.3 million is restricted, and the unrestricted cash held in the UK parent charity at the end of the year was £35.4 million, representing approximately 6 weeks of expenditure. Under COVID-19, to support MSI's resilience during such an uncertain period, the finance teams focused on cash preservation; delaying or halting capital expenditure where possible, controlling expenditure, and improving payment terms with donors. In addition, a loan was received during the year from the Children's Investment Fund Foundation to support MSI's pre-financing exposure on a large donor project, and thus increasing MSI's available unrestricted cash.

An analysis of cash balances by region is shown in the table below:

Cash and deposits by region	2020 £m	2019 £m
East & Southern Africa	9.8	7.3
West & Central Africa	2.3	0.2
Asia	8.3	7.3
Pacific Asia including Australia	13.7	11.8
Rest of the world	3.8	3.1
UK, including restricted funds	94.5	84.0
	132.4	113.7

RESERVES

The term 'reserves' is used throughout the Group's annual report and accounts meaning the technical definition of restricted and unrestricted reserves, driven by charity accounting standards. However, in setting the group Reserves Policy, MSI places utmost importance on liquid reserves that are readily available.

We hold reserves to ensure the organisation can continue to deliver the mission in times of substantial income fluctuations and where expenditure on charitable activities cannot or should not be scaled back in the short to medium term. At the same time, the reserves policy is designed to ensure that income is not retained for longer than is required.

The Trustees review the reserves policy annually through the Finance Committee and consider the Group's reserves requirements from both a long and short term perspective. Based on this review, under the Scaling Up Excellence strategic plan, the trustees established a target range for free liquid reserves of between £30 million and £35 million, with £20 million to be held in accessible assets in an investment fund. The target was set taking account of the scale of the group's operations, the likely financial impact of the strategic risks facing the group, and monthly operating costs of approximately £25 million. Under the new strategy, MSI 2030, the trustees have increased the target reserves level to £45 million by the end of 2030.

In assessing the adequacy of the Group's reserves, Trustees take a prudent view, based on the likely timescale to realise assets, or secure borrowings against those assets, and thereby generate liquid funds. The Trustees also monitor other liquid assets and the potential to procure medium term secured financing against the group's tangible fixed assets. At 31 December 2020, MSI held liquid free reserves of £44.8 million (2019: £37.1 million). This metric is carefully monitored and managed monthly, with £15.1 million of the balance held in the external investment fund at the end of the year. This represented another remarkable achievement: to have increased liquid reserves well above the target range despite the backdrop of the pandemic. With uncertain times ahead, as COVID-19 continues to affect our programmes worldwide and institutional donors make tough decisions about their own funding priorities, a stronger reserves position is essential. Central cash reserves will continue to be carefully managed through any protracted crisis to ensure the sustainability of the group, whilst retaining as much operational capacity as is prudently possible.

At 31 December 2020, the Group accounts show the following unrestricted reserves:

- A new designated programme reserve of £15.9 million, which represents unrestricted funds which are not available for general use, such as unrestricted assets overseas and unrestricted funds which have been internally ring-fenced for programme investment. As part of the 2021 business planning process, approximately £5.0m of the programme reserve was committed for country programmes to invest in service delivery during 2021. The previous sustainability fund was released from designation during the year. As a result, general reserves now match MSI's free cash held in the UK.
- A designated tangible fixed assets reserve of £15.9 million (2019: £16.1 million) which represents the net book value of MSI's unrestricted tangible fixed assets – primarily clinic buildings. Of its nature, these assets are illiquid and are therefore excluded from the determination of our liquid reserves position.
- General unrestricted reserves of £44.8 million (2019: £43.0 million). This now represents MSI's liquid free reserves.

This gives total unrestricted reserves of £76.6 million (2019: £72.7 million) in the financial statements. MSI's unrestricted funds represent the cumulative surpluses from the group's worldwide operations, particularly the commercial operations. The Trustees endorse the use of surpluses from these operations to support family planning and sexual and reproductive health services around the world. But the reader of the accounts should note that the key metric is the free liquid reserves of £44.8 million described above, representing approximately eight weeks' expenditure.

MSI held restricted funds at 31 December 2020 of £45.0m (2019: £46.1m). These restricted funds are from two sources; income received from donors to directly support charitable activities, and net assets held in overseas programmes which are restricted for use within the country where the surplus accumulated.



GOING CONCERN

In order for the group's accounts to be prepared on the going concern basis, it is necessary to demonstrate that the group has cash reserves to meet its liabilities as they fall due in the foreseeable future. As noted above, MSI's management and trustees recognise the crucial importance of liquidity and cash stewardship, especially in times of great uncertainty. The group maintains medium term cash flow forecasts, stretching out over 18 months from the balance sheet date. These forecasts are prepared under a range of scenarios, starting with the annual business plan and adjusting downwards for known factors and allowing for contingencies to cover additional unspecified risk. We then compare this forecast UK cash position (total cash and free cash) to available banking facilities. These forecasts have been reviewed by the group auditors as part of their annual audit.

2020 proved to be a major test of our ability to manage a material shock to our operating model. As soon as the scale of the COVID-19 pandemic started to become clear in April 2020 we adopted the "Preserve, Protect, Secure" strategy. We communicated clearly with donors on the likely changes to our plans and contractual commitments, and the adaptations that would be necessary to deal with the pandemic. Our donors were overwhelmingly supportive despite the impact of the pandemic on our operations. We worked to achieve designation for MSI's services as essential emergency services. We ceased all non-essential spend, implemented cost reduction plans in all areas of the business and tightened controls over working capital. The combined impact of this work is evident in both the strong operational performance, the high level of innovation, strong clinical standards and the strengthened financial position at the end of 2020.

As of May 2021, COVID-19 continues to affect countries worldwide, and the financial impact on the economies of our institutional donors has resulted in uncertainty in our forward funding pipeline. In particular the UK government's decision to reduce funding for official development assistance (ODA) could significantly impact MSI, both directly and via the reduced funding for UNFPA, the major global donor of family planning commodities. So we have refreshed our forecasts in the light of the new information, using the methodology consistent with that used last year. Financial models have been developed to the end of 2022, considering different country level scenarios, confirmed sources of income, group level potential downside risks, and the impact of mitigating actions.

In our donor funded channels, our modelling recognises the level of risk of grant income being secured, and we have a range of new contracts and awards that we are seeking to mitigate the impact of reduced institutional support from the UK government. Note that in this channel, our operating models are skewed towards variable costs, with staff on time-bound contracts linked to the relevant grant. So the key challenge is to ensure that we are looking ahead and adapting our spend to the funds available, and in this we have a strong track record. In our "optimistic" scenario, MSI would see a reduction in grant income of 8%, whereas in the downside scenario, this increases to over 32%, representing a decrease of approximately £44.2m in funding. We have ensured that potential liabilities associated with contracts that may be ending have been recognised and allocated to donors as appropriate. We will continue the Preserve, Protect, Secure strategy whilst the present uncertainty over funding sources remains, and will follow similar cost reduction and cash preservation strategies to those successfully deployed in 2020.

We are grateful for the firm support that has already been committed from our donor community.

In our commercial channels we are accelerating new service delivery models but are critically challenging those service areas that have historically been dependent on donor support – which is coming to an end in various countries. Expansion of services that might otherwise absorb working capital is on hold and we will continue to manage discretionary spend carefully. In our "optimistic" scenario, up to £15.0m of our free reserves could be at risk, with this increasing to almost £22.0m in the downside scenario. We have therefore also considered the bank and other working capital facilities we have in place to support our liquidity in the face of uncertainty.

The Trustees have reviewed these scenarios, the working capital available to the group and the principal financial risks facing the organisation. After careful consideration, and discussion with the Executive Team, the Trustees consider there is reasonable certainty that both the Company and the Group have sufficient resources to continue operating for the foreseeable future and therefore the financial statements have been prepared on a going concern basis.

INVESTMENTS

As a part of the group's liquid reserves, MSI holds an independently managed investment fund, which was previously designated as the "sustainability fund" but is now included within general reserves. The aim is to increase the value of the fund to £20.0 million held in accessible assets. Our investment policy is:

- **To maintain a liquid medium risk diversified portfolio which acts as the core reserve of the organisation**
- **To manage the fund at arm's length through half-yearly review meetings with the investment manager**
- **To invest in an ethical portfolio, particularly with respect to the environment.**

At the beginning of the year, the impact of COVID-19 resulted in a worldwide fall in market value and the portfolio depreciated approximately 10% during March 2020. However, by the end of the financial year, the Charity held £15.1 million in the external investment fund. This was an increase of £1.4 million on the prior year, representing an absolute return of 11.1%, compared with a return of 17.4% in the prior year. MSI's portfolio is benchmarked against two funds, and the 2020 performance was ahead of both the benchmarked funds.

MSI Reproductive Choices' external investment fund manager is GAM, and performance is reviewed half-yearly by the executive management, while the Finance Committee scrutinises the portfolio mix and performance at least annually.

In mid-2019, the Trustees approved a new investment approach to include ethical investor requirements regarding environmental, societal and governance issues. However, volatility in the markets first arising from the UK's imminent departure from the EU, and then in 2020 from the outbreak of COVID-19, resulted in portfolio changes beginning only in the latter half of 2020.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of MSI Reproductive Choices for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- **select suitable accounting policies and then apply them consistently;**
- **observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2019);**
- **make judgments and estimates that are reasonable and prudent;**
- **state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and**
- **prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.**



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

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware; and they have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report of the Trustees, under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 2 June 2021, including approving in their capacity as company Directors the Strategic Report contained therein, and is signed as authorised on its behalf by:

Glenda Burkhart
Chair
2 June 2021



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MSI REPRODUCTIVE CHOICES

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion, MSI Reproductive Choices' group financial statements and parent charitable company financial statements (the "financial statements"):

- » give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, and of the group's cash flows, for the year then ended;
- » have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law; and
- » have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and financial statements (the "Annual Report"), which comprise: the group and company balance sheets as at 31 December 2020; the consolidated statement of financial activities (incorporating the income and expenditure account), the consolidated cash flow statement for the year then ended; and the notes to the financial statements, which include a description of significant accounting policies.

Basis for opinion

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

Independence

We remained independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and parent charitable company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Trustees' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Trustees' Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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 group's and parent 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 group and parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 auditors' 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.

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

Based on our understanding of the group and parent charitable company and the environment in which they operate, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in key accounting judgements and estimates. Audit procedures performed included:

- enquiry of management and the trustees with regard to actual and potential fraud and non-compliance with laws and regulations;
- reviewing minutes of the Board and Audit Committee meetings and significant contracts to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with laws and regulations;
- reviewing the legal reports presented at the Board and Audit Committee meetings, internal audit reports, and enquiry of the in-house legal team and our component auditor teams to identify material claims and litigation;
- reviewing correspondence with the Charity Commission;
- understanding and evaluating management's controls in place to prevent and detect irregularities;
- testing of journal entries where we identified particular risk criteria;
- obtaining independent confirmations of cash and investment balances at the year end and testing management's year end bank reconciliations;
- reviewing accounting estimates for bias and evaluating whether circumstances producing any bias, represent a risk of material misstatement due to fraud; and
- assessing financial statement disclosures, and testing to supporting documentation, for compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER REQUIRED REPORTING

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

David Wildey (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
June 2021

FINANCIAL STATEMENTS



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

for the year ended 31 December 2020

	Note	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
INCOME FROM					
Donations	3a	10,036	–	10,036	8,827
Charitable activities	3b	141,344	135,922	277,266	293,028
Investments	3c	861	–	861	1,433
Other income	3d	6,277	–	6,277	4,977
Total income		158,518	135,922	294,440	308,265
EXPENDITURE ON					
Raising funds	4	(1,271)	–	(1,271)	(1,259)
Charitable activities	4	(150,908)	(135,922)	(286,830)	(300,154)
Total expenditure		(152,179)	(135,922)	(288,101)	(301,413)
Net gains / (losses) on investments	10c	1,381	–	1,381	1,829
Net income		7,720	–	7,720	8,681
Transfers between funds	15/22	1,079	(1,079)	–	–
Other recognised gains / (losses)					
Unrealised exchange losses		(4,861)	–	(4,861)	(1,678)
Net movement in funds	7	3,938	(1,079)	2,859	7,003
Fund balances brought forward	15/16	72,661	46,069	118,730	111,727
Fund balances carried forward	15/16	76,599	44,990	121,589	118,730

All amounts relate to continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities. There is no material difference between the net income for the year and net movement in funds stated above and their historical cost equivalents.

The notes on pages 65 to 83 form part of these financial statements.

GROUP AND COMPANY BALANCE SHEETS

as at 31 December 2020

	Note	Group		Company	
		Total 2020 £'000	Total 2019 £'000	Total 2020 £'000	Total 2019 £'000
Fixed assets					
Intangible assets	8	538	575	538	575
Tangible assets	9	31,655	34,513	17,822	18,377
Investments	10	15,096	13,996	16,282	15,096
Total fixed assets		47,289	49,084	34,642	34,048
Current assets					
Stock		17,551	15,011	6,209	5,869
Receivables	11	38,724	37,152	26,459	31,861
Short-term deposits		8,590	6,096	500	458
Cash at bank and in hand		123,784	107,616	94,036	82,422
Total current assets		188,649	165,875	127,204	120,610
Payables: amounts falling due within one year	12a	(109,107)	(90,900)	(70,525)	(62,828)
Net current assets		79,542	74,975	56,679	57,782
Total assets less current liabilities		126,831	124,059	91,321	91,830
Payables: amounts falling due after more than one year	12b	(3,001)	(3,009)	(2,086)	(2,038)
Loans: amounts falling due after more than one year	13	(2,241)	(2,320)	(2,042)	(2,306)
Net assets		121,589	118,730	87,193	87,486
The funds of the charity:					
Unrestricted income funds					
General funds	16	44,795	43,004	44,795	42,072
Designated funds – tangible fixed asset reserve	16	15,920	16,062	14,876	14,775
Designated funds – programme reserve	16	15,884	–	12,132	–
Designated funds – sustainability reserve	16	–	13,595	–	13,595
Total unrestricted income funds	16	76,599	72,661	71,803	70,442
Restricted income funds	15	44,990	46,069	15,390	17,044
Total charity funds		121,589	118,730	87,193	87,486

MSI uses the exemption conferred by section 408 of the Companies Act in not preparing a separate Income and Expenditure Account for the Company only. The net expenditure for the Company for the year to 31 December 2020 was £0.3m (2019: net income £4.1m).

The notes on pages 65 to 83 form part of these financial statements.

The financial statements on pages 62 to 83 were approved by the Board of Trustees on 2nd June 2021 and signed on its behalf by

Glenda Burkhart
Chair
2 June 2021

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2020

	2020		2019	
	£'000	£'000	£'000	£'000
Net cash provided by operating activities		14,698		13,169
Cash flows from financing activities				
Dividends, interest and rents from investments	861		1,433	
Proceeds from sale of fixed assets	408		747	
Proceeds from sale of fixed asset investments	3,079		–	
Purchase of tangible fixed assets	(3,645)		(5,866)	
Purchase of fixed asset investments	(2,503)		(201)	
Net cash used in investing activities		(1,800)		(3,887)
Cash flows from financing activities				
Increase/(decrease) in bank and unsecured loans	5,843		417	
Increase/(decrease) in long-term loans	(79)		(992)	
Net cash generated from / (used in) financing activities		5,764		(575)
Net increase in cash and cash equivalents		18,662		8,707
Cash and cash equivalents at 1 January		113,712		105,005
Cash and cash equivalents at 31 December		132,374		113,712
Cash and cash equivalents consists of:				
Cash at bank and in hand		123,784		107,616
Short-term deposits		8,590		6,096
Total cash and cash equivalents		132,374		113,712

Notes	2020		2019	
	£'000	£'000	£'000	£'000
a) Reconciliation of net income to net cash inflow from operating activities				
Net income for the year		7,720		8,681
Investment income		(861)		(1,433)
(Gains) on investments		(1,381)		(1,829)
Amortisation and impairment charge		71		117
Depreciation charge		4,812		5,953
Adjustment to property charge		–		(2,465)
Loss on disposal of intangible fixed assets		–		530
(Gain)/loss on disposal of tangible fixed assets		(167)		216
(Increase) in stocks		(2,540)		(83)
(Increase)/decrease in receivables		(1,572)		6,744
Increase/(decrease) in payables and provisions		12,356		(3,151)
Exchange movements		(3,740)		(111)
Net cash inflow from operating activities		14,698		13,169
b) Reconciliation of movement in net funds				
Total cash and cash equivalents		132,374		113,712
Bank loans falling due within one year		(6,374)		(531)
Other loans falling due after more than one year		(2,241)		(2,320)
Cash and cash equivalents less borrowings		123,759		110,861
Increase in cash		18,662		8,707
Cash (inflow)/outflow from financing		(5,764)		575
Net funds at 1 January		110,861		101,579
Net funds at 31 December		123,759		110,861

The notes on pages 65 to 83 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

1. Accounting policies

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006. MSI Reproductive Choices constitutes a public benefit entity as defined by FRS102. The principal accounting policies, which have been applied consistently in the year across the group, are set out below.

a) Basis of preparation and assessment of going concern

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments to market values. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the charity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in note (o) to these policies.

As the outbreak of Covid-19 has continued beyond the end of the financial year, and to assess the appropriateness of adopting the going concern basis, cashflow forecasts were prepared to the end of December 2022. Different downside scenarios of increasing severity were modelled, and the group has sufficient headroom within existing facilities to manage liquidity requirements against these scenarios. In addition, were the results in the coming year below expectations, additional mitigating actions are available to the trustees in order to preserve the organisation's position. Therefore the trustees are able to conclude that the financial statements should be prepared on a going concern basis.

No separate Statement of Financial Activities or income and expenditure account has been presented for the company alone as permitted by section 408 of the Companies Act 2006. The company had total income in the year of £139.9 million (2019: £138.9 million) and total expenditure of £136.4 million (2019: £134.7 million) giving a net gain for the year of £3.5 million (2019: net gain of £4.2 million). The net movement in funds, after investment gains/losses was a loss of £0.3 million (2019: gain of £4.1 million).

b) Company status

MSI Reproductive Choices is registered as a company limited by guarantee and a charity. The Trustees are named on page 4. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per Member.

c) Basis of consolidation

The Group financial statements combine the results of the parent undertaking, MSI Reproductive Choices, and its subsidiary undertakings after eliminating inter-group transactions. MSI Reproductive Choices refers to MSI Reproductive Choices' UK operations and international branch offices. The subsidiary undertakings are detailed in note 20.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where the Group owns less than 50% of the voting powers of an entity but controls the financial and operating policies of the entity it accounts for that entity as a subsidiary.

Where a subsidiary has different accounting policies to the Group, adjustments are made on consolidation to apply the Group's accounting policies when preparing the consolidated financial statements. A few subsidiaries have a different financial year-end, in Nepal, India and Pakistan. As all programmes report on a global finance system, following MSI's group accounting policies, these subsidiaries are consolidated in the same manner as those with co-terminous year-ends.

Any subsidiary undertakings sold or acquired during the year are included up to, or from, the dates of change of control. Where control of a subsidiary ceases, the gain or loss is recognised in the consolidated Statement of Financial Activities. The cumulative amounts of any exchange differences on translation, recognised in equity, are not included in the gain or loss on disposal and are transferred to retained earnings.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation. Adjustments are made to eliminate the profit or loss arising on transactions with associates to the extent of the Group's interest in the entity.

d) Foreign currency

i) Functional and presentation currency

The Group financial statements are presented in pound sterling and rounded to thousands. The Company's functional and presentation currency is the pound sterling.

ii) Transactions and balances

Foreign currency balances have been translated at the rate of exchange ruling at the balance sheet date. Income and expenditure transactions incurred in foreign currencies have been translated during the course of the year using the opening exchange rate for the month of the transaction.

Foreign exchange gains and losses resulting from the settlement of transactions and related to borrowings and cash and cash equivalents are included within total expenditure in the Statement of Financial Activities (SOFA).

iii) Translation

The assets and liabilities of overseas undertakings, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates ruling at the year end.

Foreign exchange gains and losses resulting from the translation at period-end exchange rates of monetary assets and liabilities and all other foreign exchange gains and losses are presented in SOFA within unrealised exchange gains/(losses).

e) Income

Donations

Donations are included in the Statement of Financial Activities when there is entitlement to the income, receipt is probable and the amount can be measured reliably.

Charitable activities

Income from charitable activities comprises income from the provision of services to clients for sexual and reproductive healthcare, grants for the delivery of sexual & reproductive health services and consultancy services and is recognised as follows:

Grant income

Income from external grants is recognised in the Statement of Financial Activities as soon as it is receivable unless donor conditions related to performance and specific deliverables apply. These grants are accounted for as the charity earns the right to consideration through performance. Where income is received in advance it is classified as deferred and included in payables until conditions of entitlement are met, at which point it is released. Where entitlement occurs before the income is received the income is accrued and included in receivables.

Granted supplies and equipment

Grants of goods in kind are included at fair value and are recognised in deferred income and stock when they are received from donors and in income and expenditure when they have been used by the Charity. Granted goods include family planning commodities used in the provision of service. Grants of services in kind are included as both income and expenditure in the Statement of Financial Activities when received or performed.

Service income

Service income comprises income received and receivable from clients for sexual and reproductive health services and products provided during the period. Service income is recognised when the service is provided or the product is sold.

Investments

Investment income comprises interest, dividends, distributions and rents and is recognised in the period in which it becomes receivable.

Other income

All other items of income are recognised within the other income category. Income is recognised when there is entitlement to the income, receipt is probable and the amount can be measured reliably. During 2020, this includes funds received under government covid support schemes.

f) Expenditure

All expenditure is accounted for on an accruals basis. Direct costs incurred by the Group are allocated across the various types of expenditure as follows:

Raising funds comprises costs relating to the raising of grant income.

Charitable activities comprise costs relating directly to the delivery of family planning and other sexual and reproductive health services and related advocacy and awareness raising and capacity building. Costs include delivery of clinical and outreach services throughout the global partnership, such as service providers' salaries, costs of drugs and equipment, materials, premises, training and travel.

Governance costs represent the costs of compliance with statutory requirements and include the costs of audits and costs incurred on behalf of trustees relating to the governance of the organisations, such as travel and meeting attendance.

g) Employee benefits

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

i) Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

ii) Defined contribution pension plans

The Group operates a number of country-specific defined contribution plans for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

iii) Annual bonus plan

The Group operates an annual bonus plan for employees. An expense is recognised in the SOFA account when the Group has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

h) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

i) Grants paid

Grants payable to third parties to reimburse them for specific activities undertaken by them in support of MSI Reproductive Choices' charitable activities are charged to the Statement of Financial Activities when an obligation exists.

j) Intangible fixed assets

Registration and license fees are capitalised at cost and are amortised over the period to which the rights relate.

k) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation has been provided on completed assets at rates calculated to write off the cost of fixed assets less their estimated residual value, on a straight line basis over their useful economic lives. Freehold land is not depreciated.

» Freehold properties	40 years
» Short leasehold properties	Over period of the lease
» Office equipment	20% to 50% per annum
» Medical equipment	20% to 50% per annum
» Computer equipment and software	25% to 50% per annum
» Motor vehicles	25% per annum

MSI Reproductive Choices capitalises fixed assets in the UK above a value of £5,000. For MSI Reproductive Choices' branches and subsidiaries overseas, the capitalisation level is lower and varies by entity.

Assets under development are not depreciated until they have been brought into use.

The carrying value of fixed assets is reviewed for impairment if events or changes in circumstances suggest that their carrying amount may not be recoverable.

l) Fixed asset investments

Listed investments and investment properties are stated at the market value at the balance sheet date.

Investments in subsidiaries are stated at cost less any provision to impairment.

Revaluation gains or losses arising during the year are included in the Statement of Financial Activities. Impairments are charged to resources expended on charitable activities. Investment income is the amount receivable by MSI Reproductive Choices in the year.

m) Stock

Stock represents medical equipment and supplies purchased or donated to fulfil MSI Reproductive Choices charitable objectives and is reported at the lower of cost and net realisable value. In some circumstances stock items are sold (rather than used internally) after the balance sheet date. In such cases our assessment of net realisable value is based on the service potential provided by the items of stock because, as indicated, the sale after the balance sheet date is made in furtherance of our charitable objectives. As a result, in these cases, it is not necessary to impair the carrying value of this stock at the period end.

n) Reserves and fund accounting

- » **General reserves** are unrestricted funds available to be used at the discretion of the Board of Trustees for the furtherance of the charitable objectives of the Group and which have not been designated for any other purpose.
- » **Designated funds** comprise unrestricted funds that have been set aside by the Board of Trustees for particular purposes. The aim of each designated fund is set out in note 16.
- » **Restricted funds** are funds which have to be used in accordance with specific restrictions imposed by a donor and funds restricted by constitution which represent the accumulated surpluses from those group entities where the funds have been generated locally and the future use is restricted to that location. Restricted funds are set out in note 15.
- » **Overhead costs** relating to restricted donor funds are classed as unrestricted expenditure and are not directly attributed to restricted funds at source. The fees earned on restricted donor funds in relation to these overhead/ support costs are directly attributed to restricted income and at the year end a reallocation is made between restricted and unrestricted funds in relation to these fees.

o) Key accounting estimates and assumptions

The charity makes estimates and assumptions concerning the future. Those judgements and estimates that could have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include the following:

i) Areas of judgement

- » **Grant income recognition.** The majority of grant income is recognised in line with expenditure against the grant contract, as this is deemed the most accurate proxy for the performance conditions within the grant being met. Where such grants are received in advance of delivering the goods or services required, the income is not recognised. Instead it is recognised as a liability (deferred income) until performance can be measured (based on spend).
- » **Restricted funds.** MSI operates in overseas territories where the local government expects surpluses achieved on non-service activities to be used in-country and not passed back to the parent company. The net assets of these programmes are classed as 'restricted by constitution' and included within the restricted funds balance.
- » **Consolidation.** As described in accounting policy 1c, where the Group owns less than 50% of the voting powers of an entity but controls the financial and operating policies of the entity it accounts for that entity as a subsidiary.

ii) Areas of estimate

- » **Provisions** such as bad debts and terminal grants involve assumptions and estimation techniques. These are based on the experience and knowledge of management and evidence from past experience.

p) Financial instruments

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2. Comparative information for the consolidated statement of financial activities (incorporating the income and expenditure account) for the year ended 31 December 2020

	2020			2019		
	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
INCOME FROM						
Donations	10,036	–	10,036	8,827	–	8,827
Charitable activities	141,344	135,922	277,266	146,908	146,120	293,028
Investments	861	–	861	1,433	–	1,433
Other income	6,277	–	6,277	4,977	–	4,977
Total income	158,518	135,922	294,440	162,145	146,120	308,265
EXPENDITURE ON						
Raising funds	(1,271)	–	(1,271)	(1,259)	–	(1,259)
Charitable activities	(150,908)	(135,922)	(286,830)	(153,943)	(146,211)	(300,154)
Total expenditure	(152,179)	(135,922)	(288,101)	(155,202)	(146,211)	(301,413)
Net gains on investments	1,381	–	1,381	1,829	–	1,829
Net income	7,720	–	7,720	8,772	(91)	8,681
Transfers between funds	1,079	(1,079)	–	(1,275)	1,275	–
Other recognised gains / (losses)						
Unrealised exchange gains / (losses)	(4,861)	–	(4,861)	(1,678)	–	(1,678)
Net movement in funds	3,938	(1,079)	2,859	5,819	1,184	7,003
Fund balances brought forward at 1 January	72,661	46,069	118,730	66,842	44,885	111,727
Fund balances carried forward at 31 December	76,599	44,990	121,589	72,661	46,069	118,730

3. Income from

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
a) Donations				
Donations and legacies	10,036	–	10,036	8,827
b) Charitable activities				
Grant income	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Foreign, Commonwealth & Development Office (FCDO)	16,356	32,077	48,433	46,716
International Planned Parenthood Federation	–	8,581	8,581	9,141
Global Affairs Canada	–	6,478	6,478	5,210
United Nations	–	5,387	5,387	3,233
Children's Investment Fund Foundation	–	4,660	4,660	6,513
Kreditanstalt für Wiederaufbau	–	4,122	4,122	2,639
The Bill and Melinda Gates Foundation	–	4,064	4,064	6,525
Swedish International Development Agency	–	3,955	3,955	3,680
Arcadia Philanthropic Trust	–	3,732	3,732	1,722
Norwegian Agency for Development Cooperation	–	3,710	3,710	3,662
ABT Associates PTE Ltd (JTA)	–	3,561	3,561	8,111
Netherlands Ministry of Foreign Affairs	–	3,177	3,177	5,090
Australian Dept for Foreign Affairs & Trade / AusAid	–	2,018	2,018	2,856
Ministry of Foreign Affairs of Denmark	–	1,561	1,561	3,208
William and Flora Hewlett Foundation	–	1,170	1,170	1,731
Anonymous donor	–	22,312	22,312	28,303
Other	–	25,385	25,385	22,037
	16,356	135,950	152,306	160,377
Reallocation of fees earned on restricted grants	13,666	(13,666)	–	–
	30,022	122,284	152,306	160,377
Granted supplies and equipment	–	13,638	13,638	16,999
Service income				
Sexual and reproductive healthcare services	114,039	–	114,039	119,059
Fees waived	(2,717)	–	(2,717)	(3,407)
	111,322	–	111,322	115,652
Total income from charitable activities	141,344	135,922	277,266	293,028

Grant income is recognised in accordance with the Charities SORP and as a result may differ from cash received; please see note 1e for further information. Where the purpose of the grant is narrower than the charitable objects of MSI Reproductive Choices, is restricted to a specific location, or deemed to be restricted by time constraints, the grant income is classified as restricted. The income earned on restricted donor funds to cover overhead and support costs ("fees") is directly attributed to restricted income, and at the year-end a reallocation is made from restricted to unrestricted funds to match the qualifying overhead costs incurred. Granted supplies and equipment include family planning commodities used in the provision of services.

A geographical split of this income is shown on page 35 of the Trustees' Report.

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
c) Investments				
Bank interest receivable	488	–	488	1,050
Distributions receivable	167	–	167	226
Rent receivable	206	–	206	157
	861	–	861	1,433

3. Income from (continued)

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
d) Other income				
Covid-19 support from national governments	2,718	–	2,718	–
Sundry other income	3,559	–	3,559	4,977
	6,277	–	6,277	4,977

4. Expenditure

a) Total expenditure	Direct costs £'000	Staff costs (note 5) £'000	Other costs £'000	Support costs (note 4c) £'000	Total 2020 £'000
Raising funds	269	905	–	97	1,271
Charitable activities	141,881	126,283	5,184	13,482	286,830
Subtotal	142,150	127,188	5,184	13,579	288,101
Support costs reallocation	3,190	10,107	282	(13,579)	–
Total	145,340	137,295	5,466	–	288,101

	Direct costs £'000	Staff costs (note 5) £'000	Other costs £'000	Support costs (note 4c) £'000	Total 2019 £'000
Raising funds	231	929	–	99	1,259
Charitable activities	152,469	130,004	3,802	13,879	300,154
Support costs reallocation	3,166	10,239	573	(13,978)	–
Total	155,866	141,172	4,375	–	301,413

b) Direct costs of charitable activities

Direct expenditure on charitable activities includes subcontracts awarded to external partners of £16,239,000 (2019: £16,726,000). Details are available from MSI Reproductive Choices, 1 Conway Street, London W1T 6LP.

c) Support costs

	2020 £'000	2019 £'000
Management and office services	1,899	2,178
Finance and information technology	5,200	5,340
Programme support	2,786	2,564
People and development	847	927
External relations	1,565	1,717
Governance costs	1,282	1,252
Total support costs	13,579	13,978

Support costs represent the cost of MSI Reproductive Choices' London and regional support offices and are allocated by function. Costs relate to the costs of technical assistance to programmes and to the corporate functions of information technology, people and organisational development, and external relations. Also included are the costs of our critically important global clinical quality assurance, anti-fraud and bribery and safeguarding programmes. Support costs are apportioned to specific activities based on the weighting of each function as a percentage of total costs.

Governance costs include expenditure on internal and external audit, Trustee meetings and non-audit services. In 2020 the cost of the group audit was £206,000 (2019: £198,000) inclusive of VAT. In addition, fees for the audit of country programmes totalled £469,000 (2019: £414,000). Of these £60,000 relate to audits conducted by the group auditor (2019: £76,000).

Non-audit fees paid to the current auditors in the year was £11,798 (2019: £5,720).

5. Staff costs

	2020	2019
Staff costs:	£'000	£'000
– Wages and salaries	105,362	104,750
– Social security costs	6,094	6,107
– Other pension costs	3,809	4,056
	115,265	114,913
Sessional fees, agency costs and other staff costs	22,030	26,259
Total staff costs	137,295	141,172

The charity operates a defined contribution pension scheme in the UK. The assets of the scheme are held separately from those of the charity in an independently administered fund managed by the Standard Life Assurance Company. In line with government legislation, MSI Reproductive Choices automatically enrolls its UK staff into its defined contribution pension scheme where certain criteria are met.

No directors of the parent charity received emoluments during the year for their services as trustees (2019: none). Redundancy and termination payments totalled £444,000 in 2020 (2019: £314,000).

6. Staff numbers

The average monthly number of staff analysed by function was:	2020 number	2019 number
– Raising funds	12	12
– Charitable activities	9,464	10,288
	9,476	10,300

The numbers of employees whose emoluments were more than £60,000 were

	2020 number	2019 number
£60,001 – £70,000	48	57
£70,001 – £80,000	30	24
£80,001 – £90,000	18	13
£90,001 – £100,000	10	6
£100,001 – £110,000	7	10
£110,001 – £120,000	7	8
£120,001 – £130,000	6	5
£130,001 – £140,000	5	5
£140,001 – £150,000	1	3
£150,001 – £160,000	1	1
£160,001 – £170,000	1	1
£170,001 – £180,000	1	1
£180,001 – £190,000	2	4
£190,001 – £200,000	–	1
£200,001 – £210,000	1	1
£210,001 – £220,000	1	1
£240,000 – £250,000	1	–
£340,001 – £350,000	–	1

Employee numbers disclosed above include staff from all entities in the group.

The remuneration of the highest paid employee was split between base salary of £225,791 (2019: £222,953) and performance-based bonus of £18,878 (2019: £124,223). The total paid to seven key management personnel in 2020 was £1,222,037 (2019: £1,226,782: six persons).

Retirement benefits were accrued under a defined contribution scheme for 117 higher paid employees (2019: 116). Total employer contributions for these employees were £430,269 (2019: £402,371).

7. Net movement in funds

Net movement in funds is stated after charging:	2020	2019
	£'000	£'000
Amortisation of intangible fixed assets	71	117
Depreciation of tangible fixed assets	4,812	5,953
Operating lease rentals	6,082	6,559

8. Intangible assets

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Cost or valuation				
At 1 January	672	1,589	667	1,584
Disposals	–	(888)	–	(888)
Exchange movements on consolidation	43	(29)	43	(29)
At 31 December	715	672	710	667
Accumulated amortisation				
At 1 January	97	338	92	333
Charge for the year	71	117	71	117
Disposals	–	(358)	–	(358)
Exchange movements on consolidation	9	–	9	–
Closing balance	177	97	172	92
Net book value at 31 December	538	575	538	575

9. Tangible assets

Group	Freehold properties £'000	Short leasehold properties £'000	Office equipment £'000	Medical equipment £'000	Computer equipment & software £'000	Motor vehicles £'000	Assets under development £'000	Total £'000
Cost or valuation								
At 1 January 2020	37,452	4,800	6,213	10,271	16,162	17,601	1,157	93,656
Additions	10	56	204	622	514	962	1,277	3,645
Transfers between asset classes	8	169	(18)	54	164	139	(516)	–
Disposals	(69)	(152)	(667)	(898)	(1,320)	(1,161)	(16)	(4,283)
Exchange movements on consolidation	(789)	(114)	(129)	(345)	(133)	(927)	(23)	(2,460)
At 31 December 2020	36,612	4,759	5,603	9,704	15,387	16,614	1,879	90,558
Accumulated depreciation								
At 1 January 2020	15,581	2,716	5,288	8,273	14,830	12,455	–	59,143
Charge for the year	865	271	340	865	643	1,828	–	4,812
Disposals	(30)	(96)	(638)	(816)	(1,240)	(913)	–	(3,733)
Exchange movements on consolidation	(201)	1	(88)	(274)	(109)	(648)	–	(1,319)
At 31 December 2020	16,215	2,892	4,902	8,048	14,124	12,722	–	58,903
Net book value								
At 31 December 2020	20,397	1,867	701	1,656	1,263	3,892	1,879	31,655
At 31 December 2019	21,871	2,084	925	1,998	1,332	5,146	1,157	34,513
Company								
Company	Freehold properties £'000	Short leasehold properties £'000	Office equipment £'000	Medical equipment £'000	Computer equipment & software £'000	Motor vehicles £'000	Assets under development £'000	Total £'000
Cost or valuation								
At 1 January 2020	26,703	2,402	3,204	5,792	12,654	4,954	810	56,519
Additions	5	10	79	280	172	358	1,189	2,093
Transfers between asset classes	8	147	(18)	18	129	–	(284)	–
Disposals	(9)	(47)	(650)	(870)	(1,239)	(183)	(16)	(3,014)
Exchange movements on consolidation	(238)	66	39	(47)	91	(88)	6	(171)
At 31 December 2020	26,469	2,578	2,654	5,173	11,807	5,041	1,705	55,427
Accumulated depreciation								
At 1 January 2020	13,211	1,980	2,853	4,538	11,883	3,677	–	38,142
Charge for the year	649	132	135	539	371	453	–	2,279
Disposals	(9)	(35)	(622)	(842)	(1,160)	(175)	–	(2,843)
Exchange movements on consolidation	(78)	56	49	(27)	82	(55)	–	27
At 31 December 2020	13,773	2,133	2,415	4,208	11,176	3,900	–	37,605
Net book value								
At 31 December 2020	12,696	445	239	965	631	1,141	1,705	17,822
At 31 December 2019	13,492	422	351	1,254	771	1,277	810	18,377

10. Investments

	Note	Group		Company	
		2020 £'000	2019 £'000	2020 £'000	2019 £'000
Investment property	10a	–	278	–	278
Investment in subsidiaries	10b	–	–	1,186	1,220
Listed investments	10c	15,096	13,718	15,096	13,598
		15,096	13,996	16,282	15,096

a) Investment property

	Group and Company	
	2020 £'000	2019 £'000
Market value at beginning of the year	278	278
Disposals	(278)	–
Market value at end of the year	–	278

b) Investment in subsidiaries

	Company	
	2020 £'000	2019 £'000
Investment in subsidiary undertakings at cost:		
At beginning of the year	1,220	813
Additions	10	407
Exchange movement on consolidation	(44)	–
At end of the year	1,186	1,220

c) Listed investments

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Market value at beginning of the year	13,718	11,708	13,598	11,585
Additions	2,503	201	2,503	184
Sales proceeds	(2,631)	–	(2,631)	–
Net movement in cash balances	140	–	260	–
Net investment gain	1,381	1,829	1,381	1,829
Exchange movements	(15)	(20)	(15)	–
Market value at end of the year	15,096	13,718	15,096	13,598
Investment portfolio allocation:				
Equities	8,372	7,218	8,372	7,218
Bonds	3,585	3,531	3,585	3,531
Multi-asset funds and Alternatives	1,863	1,741	1,863	1,741
Private equity	629	721	629	721
Cash	647	507	647	387
	15,096	13,718	15,096	13,598

10. Investments (continued)

Material holdings within the investment portfolio:

	Group and Company	
	2020	2019
	£'000	£'000
Equities		
Loomis Sayles US Equity Leaders fund	1,034	810
SPDR S&P 500 ESG ETF	1,051	–
iShares Core S&P 500 UCITS ETF GBP	–	830
Xtrackers MSCI USA ESG ETF	914	–
Vanguard S&P 500 ETF	–	980
iShares Edge MSCI USA Quality Factor	842	748
GAM Star Japan Leaders Z JPY	803	622
GAM Emerging Markets Equity GBP	847	728
Bonds		
iShares GBP Ultrashort Bond UCITS ETF	901	900
Multi-asset funds, Alternatives and Private Equity		
Trojan Fund	816	762

In the opinion of the trustees, the carrying value of the investments is supported by the underlying net assets.

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
11. Receivables				
Trade receivables	15,652	16,637	5,927	5,556
Amounts owed by group undertakings	–	–	8,986	13,731
Corporation tax	183	144	6	–
Accrued income	10,234	10,022	5,130	5,680
Grants receivable	4,132	2,684	4,064	2,684
Prepayments	5,186	3,889	1,361	2,086
Other receivables	3,337	3,776	985	2,124
	38,724	37,152	26,459	31,861

Trade receivables are stated after provisions for impairment of £1.8m (2019: £2.0m). Amounts owed by group undertakings are stated after provisions for impairment of £2.7m (2019: £2.0m). Trade debtors includes £nil (2019: £nil) falling due after more than one year. Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

12. Payables

a) Amounts falling due within one year

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade payables	8,577	9,600	2,734	2,778
Accruals	16,462	15,624	9,594	10,238
Provisions	4,446	2,323	1,560	849
Taxation and social security	4,307	3,316	2,223	1,642
Deferred income	66,329	57,666	47,090	44,856
Loans	6,374	531	6,371	523
Other payables	2,612	1,840	953	1,942
	109,107	90,900	70,525	62,828

Analysis of deferred income

	Group		Company	
	£'000	£'000	£'000	£'000
At 1 January 2020	57,666		44,856	
Amounts credited to deferred income during the year	174,607		73,497	
Amounts released to income in the year	(165,944)		(71,263)	
At 31 December 2020	66,329		47,090	

The closing balance of deferred income represents new grant income received during 2020 where the contractual obligations of the grant are to be fulfilled in future years.

b) Amounts falling due after more than one year

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Provisions	3,001	3,009	2,086	2,038

Short-term and long-term provisions include the following: staff terminal benefits of £1.9m (2019: £1.8m) which are due to employees in country when leaving their employment with MSI Reproductive Choices; grant provisions of £1.0m (2019: £1.1m) for estimated funds repayable to donors where it has not been possible to spend funds in accordance with donor requirements and due when the projects are closed; accumulated tax provisions of £0.7m (2019: £0.7m) for country programmes where the payable is disputed or the tax legislation is unclear.

13. Loans: amounts falling due after more than one year

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Amounts repayable after one year	2,241	2,320	2,042	2,306

In 2013 MSI entered into a long-term financing facility with Unity Trust for £4.0m for a maximum term of 10 years with an initial fixed interest rate of 3.95% for five years and a variable interest rate thereafter. The loan is secured against the freehold property at 1 Conway Street, London at a ratio of approximately 12% as at 31 December 2020 with monthly repayments due under the loan totalling £0.4 million each year. In 2020 MSI was granted an interest-free loan of up to \$9.0m by CIFF to act as a working capital facility in support of two donor projects funded in arrears. Draw-downs of \$8.0m were received during the year and all funds are due for repayment in mid 2021 when the donor projects close. Other loans consist of commercial and other loan facilities arranged by MSI Reproductive Choices' branches and subsidiaries.

14. Analysis of net assets between funds

Fund balances at 31 December 2020 are represented by:

	Group			Company		
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Intangible fixed assets	533	5	538	533	5	538
Tangible fixed assets	15,920	15,735	31,655	14,876	2,946	17,822
Fixed asset investments	14,425	670	15,095	16,278	4	16,282
Bank and cash	53,047	79,327	132,374	40,184	54,353	94,537
Other net current assets	(3,880)	(48,953)	(52,833)	3,134	(40,991)	(37,857)
Long-term liabilities	(3,447)	(1,795)	(5,242)	(3,201)	(927)	(4,128)
	76,598	44,989	121,587	71,804	15,390	87,194

Unrestricted cash held in the UK parent charity at the year-end was £35.4m (2019: £27.9m).

15. Restricted income funds

	Group					At 31 Dec 2020
	At 1 Jan 2020	Income	Expenditure	Other gains	Transfers (note 22)	
	£'000	£'000	£'000	£'000	£'000	£'000
Donor funds	–	135,922	(135,922)	–	–	–
Restricted by constitution						
Africa	19,836	–	–	–	(1,751)	18,085
Asia	18,801	–	–	–	(79)	18,722
Pacific Asia	3,431	–	–	–	267	3,698
Commercial	4,001	–	–	–	484	4,485
	46,069	135,922	(135,922)	–	(1,079)	44,990

	Company					At 31 Dec 2020
	At 1 Jan 2020	Income	Expenditure	Other gains	Transfers (note 22)	
	£'000	£'000	£'000	£'000	£'000	£'000
Donor funds	–	21,991	(21,991)	–	–	–
Restricted by constitution						
Africa	9,731	–	–	–	(800)	8,931
Asia	5,951	–	–	–	(817)	5,134
Pacific Asia	271	–	–	–	(21)	250
Commercial	1,091	–	–	–	(16)	1,075
	17,044	21,991	(21,991)	–	(1,654)	15,390

Restricted funds represent the following:

a) Donor funds unspent at the end of the financial year, which will be expended in the future in line with the contractual and geographical conditions imposed by the donor.

b) Funds restricted by constitution represent the accumulated surpluses from those group entities where the funds have been generated locally and the future use is restricted to that location.

16. Unrestricted income funds

	General reserves £'000	Tangible fixed asset reserve £'000	Group Programme reserve £'000	Sustainability reserve £'000	Total unrestricted funds £'000
At 1 January 2020	43,004	16,062	–	13,595	72,661
Net income (including investment gains)	7,720	–	–	–	7,720
Transfers:					
– Transfer from restricted funds	1,079	–	–	–	1,079
– Movement in tangible fixed asset reserve	142	(142)	–	–	–
– Movement in programme and sustainability reserves	(2,289)	–	15,884	(13,595)	–
– Exchange losses on consolidation	(4,861)	–	–	–	(4,861)
At 31 December 2020	44,795	15,920	15,884	–	76,599

	General reserves £'000	Tangible fixed asset reserve £'000	Company Programme reserve £'000	Sustainability reserve £'000	Total unrestricted funds £'000
At 1 January 2020	42,072	14,775	–	13,595	70,442
Net income (including investment gains)	4,863	–	–	–	4,863
Transfers:					
– Transfer to restricted funds	1,654	–	–	–	1,654
– Movement in tangible fixed asset reserve	(101)	101	–	–	–
– Movement in programme and sustainability reserves	1,463	–	12,132	(13,595)	–
– Exchange losses on consolidation	(5,156)	–	–	–	(5,156)
At 31 December 2020	44,795	14,876	12,132	–	71,803

Unrestricted and restricted funds represent reserves available to MSI Reproductive Choices for a range of purposes dependent on their designation.

Unrestricted Funds:

General Reserve – this represents MSI's global working capital. General reserves aim to provide medium and long-term security for the Group.

Tangible Fixed Asset Reserve – represents the net book value of MSI's unrestricted tangible fixed assets. These are primarily clinic buildings.

Programme Reserve – this reserve represents unrestricted funds that are not available for general use, such as unrestricted assets overseas and unrestricted funds that have been internally ring-fenced for programme investment.

Sustainability Reserve – this reserve was designated to match the UK-managed investment portfolio. Following the creation of the new Programme Reserve in 2020, this reserve was undesignated.

17. Taxation

MSI Reproductive Choices has no liability to UK corporation tax as the company is a charity registered in England and Wales and takes advantage of the tax exemption available to charities. The liability to taxation shown in these financial statements relates to tax due on profits of the branches and subsidiary undertakings.

18. Financial commitments

a) Capital commitments

At 31 December 2020 there were capital commitments of £nil (2019: £nil).

b) Operating lease commitments

As at 31 December total future commitments under operating leases for land and buildings were as follows:

	Group	
	2020 £'000	2019 £'000
Within one year	2,956	3,734
Between two and five years	3,716	4,610
Leases expiring in five years or more	1,631	2,242
	8,303	10,586

19. Transactions involving Trustees and Company Secretary

During the year, the charity reimbursed expenses and met certain costs for its Trustees, in respect of travel to partner programmes and to UK offices for Trustees meetings. In 2020, reimbursements of £2,175 (2019: £3,230) were made to two trustees (2019: six) for such expenses.

MSI Reproductive Choices purchased and maintained throughout the year indemnity insurance in respect of its Trustees.

20. MSI Reproductive Choices subsidiaries

MSI Reproductive Choices is an international non-government organisation delivering family planning, sexual and reproductive health services in 37 countries worldwide. It delivers these services through its branches and subsidiaries and in partnership with affiliated partners.

The charity controls the following material subsidiaries, the results of which have been consolidated within the financial statements.

Name of company	City and country of incorporation, company reg number	Share capital	Share-holding %	Member voting rights %	Income £'000	Expend-iture £'000	Net income 2020 £'000	Net assets as at 31 Dec 2020 £'000
Options Consultancy Services	London, UK (2695347)	Ordinary	100	N/A	19,682	(19,682)	–	447
Options for International Health	London, UK (9137405, charity no 1160066)	N/A	N/A	100	1,348	(1,348)	–	–
Options Consultancy Services Kenya Limited	Nairobi, Kenya (CPR/2014/147082)	Ordinary	100	N/A	2,606	(2,607)	(1)	2
MS Health Pty Ltd	Melbourne, Australia (ABN 33155 182586)	Ordinary	100	N/A	5,290	(5,185)	105	(1,070)
MSI Australia (including MSI Timor-Leste)*	Melbourne, Australia (ABN 79082 496697)	N/A	N/A	33	3,314	(2,717)	597	2,858
Ambulatorium am Fleischmarkt Betriebs GmbH	Vienna, Austria (178377W)	Ordinary	100	N/A	820	(853)	(33)	86
MS Clinic Society (Bangladesh)*	Dhaka, Bangladesh (Co no 6009384)	N/A	N/A	47	1,264	(1,477)	(213)	793
Marie Stopes Bangladesh	Dhaka, Bangladesh (C-584936, NGO 2033)	N/A	N/A	55	4,206	(4,133)	73	1,695
Chinese Provincial Clinics	China (099267)	N/A	N/A	100	414	(356)	58	248
Ying Ao Si Te Medical Technology PTY Ltd	China (91110105051421470B)	Ordinary	100	N/A	1,447	(1,203)	244	545
Foundation for Reproductive Health Services India**	New Delhi, India (NGO reg: F04338) Corporate Identity No: U85100DL2010NPL199806	Ordinary	100	N/A	3,031	(2,750)	281	568
ISM Corporation Private Limited**	New Delhi, India Registration No. 245603 Corporate Identity Number: U51909	Ordinary	99.99	N/A	392	(506)	(114)	874
Population Health Services**	New Delhi, India (55-99080)	Ordinary	99	N/A	5,451	(7,177)	(1,726)	497
Marie Stopes Kenya	Nairobi, Kenya (OP 218/051/93191/15)	N/A	N/A	75	9,489	(9,268)	221	(2,214)
Marie Stopes Madagascar	Antananarivo, Madagascar (Ord 60-133)	N/A	N/A	67	5,800	(5,694)	106	1,489
Banja La Mtsogolo (Malawi)	Lilongwe, Malawi (Co no 6025)	N/A	N/A	100	6,937	(6,981)	(44)	2,917
Marie Stopes Mexico AC	Mexico City, Mexico (09020865)	N/A	N/A	100	775	(1,300)	(525)	(2,062)
Fundacion Marie Stopes Mexico	Mexico City, Mexico	N/A	N/A	100	3,313	(2,824)	489	2,540
MS Contraceptive Social Marketing Company	Ulaanbaatar, Mongolia (9019022046 / 2881756)	Ordinary	100	N/A	916	(796)	120	656

20. Marie Stopes International subsidiaries (continued)

Name of company	City and country of incorporation, company reg number	Share capital	Share-holding %	Member voting rights %	Income £'000	Expend-iture £'000	Net income 2020 £'000	Net assets as at 31 Dec 2020 £'000
Marie Stopes Services Pvt Ltd**	Kathmandu, Nepal (PL 18437/058/59)	Ordinary Preference	100 100	N/A N/A	254	(288)	(34)	253
Sunaulo Parivar Nepal* **	Kupondol, Nepal (NGO 420/051/52)	N/A	N/A	N/A	3,533	(3,497)	36	393
MSI Organisation Nigeria	Abuja, Nigeria (RC: 27391)	N/A	N/A	100	16,896	(17,000)	(104)	1,971
Marie Stopes Society Pakistan	Lahore, Pakistan (RP374)	N/A	N/A	57	5,867	(5,998)	(131)	2,909
Pakistan CSM (Guarantee) Ltd**	Karachi, Pakistan (K09269)	N/A	N/A	75	244	(142)	102	(664)
Marie Stopes PNG*	Port Moresby, Papua New Guinea (5-2456)	N/A	N/A	33	3,116	(3,207)	(91)	442
MSI Romania Foundation	Bucharest, Romania (397289)	N/A	N/A	100	235	(263)	(28)	439
Marie Stopes Sierra Leone	Freetown, Sierra Leone (C.F. 83/1986)	N/A	N/A	100	4,431	(4,339)	92	992
Marie Stopes South Africa	Cape Town, South Africa (1991/004592/08)	N/A	N/A	100	3,103	(3,628)	(525)	(556)
Population Services Lanka	Colombo, Sri Lanka (N(A)27)	N/A	N/A	83	448	(570)	(122)	44
Marie Stopes Tanzania Ltd	Dar es Salaam, Tanzania (27539)	N/A	N/A	67	14,166	(14,038)	128	(590)
Marie Stopes Ltd (Uganda)	Reg No. 41190	N/A	N/A	67	10,956	(10,822)	134	(587)
MSI-US*	Washington DC, USA (NFP 05-27-55)	N/A	N/A	N/A	39,158	(38,910)	248	898
Vietnam Centre for Community Reproductive Health*	Hanoi, Vietnam (Estab reg no 335/QD-TWH)	N/A	N/A	N/A	1,398	(1,414)	(16)	1,006
Bach Khang Vietnam Co Ltd*	Hanoi, Vietnam (Cert no 0105931817)	N/A	N/A	100	2,494	(2,342)	152	1,117
Dr Marie Company	Hanoi, Vietnam (Cert no 0108133213)	N/A	N/A	50	915	(1,038)	(123)	181
Yamaan Foundation for Health & Social Development*	Sana'a, Yemen (295/80)	N/A	N/A	20	7,453	(6,252)	1,201	4,695
MSI Zambia Ltd	Lusaka, Zambia (66871)	N/A	N/A	100	3,223	(3,385)	(162)	610
Population Services Zimbabwe	Harare, Zimbabwe (W013/87)	N/A	N/A	60	4,896	(4,785)	111	(550)

* Consolidated on the basis of operational control ** Have non-co-terminous year-ends

For entities which have no share capital, e.g. companies limited by guarantee, holdings are shown on the basis of member voting rights. Further information on the activities of the subsidiary undertakings is given in the Trustees' Report. A full list of subsidiaries is available from MSI Reproductive Choices, 1 Conway Street, London W1T 6LP.

21. Related parties transactions

The Group has taken advantage of the exemption available under FRS 102 that permits non-disclosure of transactions with group undertakings that are eliminated on consolidation.

Philip Harvey, a trustee of MSI Reproductive Choices, is President of DKT International (DKT). MSI Reproductive Choices is party to several agreements with the DKT group of companies. In 2020, the charity has sub-contracted service delivery to DKT with a value of £1,079,000 (2019: £1,533,000). DKT also granted supplies to MSI Reproductive Choices, of which £147,000 were utilised in 2020 (2019: £330,000). WomanCare, a wholly owned subsidiary of DKT, supplied goods to MSI totalling £346,000 in 2020 (2019: £277,000).

Claire Morris, a trustee of MSI Reproductive Choices, is an Executive Team member for Babylon Health. MSI Reproductive Choices had a consortium agreement with Babylon under UK Aid Connect during 2019. Babylon Health did not supply services to MSI in 2020 (2019: £49,000), and £nil was owed to Babylon Health at the year end (2019: £23,000).

Megan Elliott, Vice President and Chief Operating Officer of MSI Reproductive Choices was Chair of Trustees of Blue Ventures Conservation from February 2020 to February 2021. MSI Reproductive Choices is partnered with Blue Ventures under UK Aid Connect, and in 2020 made payments totalling £27,000 to Blue Ventures under this agreement (2019: £30,000).

Frank Braeken, a trustee of MSI Reproductive Choices, was Chairman of the Board of Feronia Inc. until May 2020. MSI Reproductive Choices has an agreement with Feronia Inc. in the Democratic Republic of Congo, to utilise some facilities (including a stock room and some fuel), free of charge (nominal value).

During the year, the daughter of Kerry Crowther, the Vice President for Global HR & People Development, was briefly employed at a total cost to MSI of £11,000. The employee was recruited through the standard interview process and the salary was the market rate for the role.

The total value of donations received from related parties without conditions was £307,000 (2019: £41,000).

Until 2020, up to two members of MSI Reproductive Choices staff were co-opted to the Board of Trustees on a rotational basis. These staff were not part of the group's Executive Team.

22. Transfers between funds

At the year end a transfer of £1.1m was made from restricted to unrestricted funds (2019: £1.3m from unrestricted to restricted funds) to match the movement in net assets of the group entities considered to be restricted by constitution.

23. Financial instruments

At 31 December the company held the following financial instruments

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Listed investments measured at fair value				
Equities	8,372	7,218	8,372	7,218
Bonds	3,585	3,531	3,585	3,531
Multi-asset funds and Alternatives	1,863	1,741	1,863	1,741
Private equity	629	721	629	721
Cash	647	507	647	387
	15,096	13,718	15,096	13,598
Investments measured at amortised cost				
Investment in subsidiaries	–	–	1,186	1,220
Debt instruments measured at amortised cost				
Trade and other receivables (analysed in note 11)	18,989	20,413	6,912	7,680
Cash and cash equivalents, valued at balance sheet date				
Short-term deposits	8,590	6,096	500	458
Cash at bank and in hand	123,784	107,616	94,036	82,422
	132,374	113,712	94,536	82,880
Loans and creditors measured at amortised cost				
Trade and other short-term creditors	8,577	9,600	2,734	2,777
Bank loans and overdrafts	6,374	531	6,371	523
Loans falling due after more than one year	2,241	2,320	2,042	2,306
	17,192	12,451	11,147	5,606

24. Contingent liabilities

In the course of the charity's ordinary activities, the risk can arise of potential legal action against MSI Reproductive Choices. Where deemed necessary, the charity will seek counsel of its lawyers and other relevant professionals, and make financial provisions as appropriate.

At 31 December 2020, fourteen subsidiaries reported net liabilities totalling £8.6m (2019: thirteen subsidiaries totalling £9.5m). The group plans to continue providing support to these entities in normal operating circumstances as necessary for their continued operations in pursuit of the charity's mission.

25. Donor funding

The following grants information is disclosed separately in accordance with the specific reporting requirements of the donor.

	Income recognised 2020 £'000	Cash receipts 2020 £'000
Agency for Danish International Development Assistance		
Strategy for Danish Engagement of MSI [2018–2022]	3,353	3,650
DANIDA support to MST – 2020	1,218	1,166
Arcadia Philanthropic Trust		
Funding MSI's Outreach	3,732	–
Bill and Melinda Gates Foundation (part funded by Department for International Development)		
African Health Markets for Equity	80	–
Foreign, Commonwealth & Development Office (FCDO)		
Delivering Accelerated Family Planning in Pakistan (DAFPAK)	3,106	4,238
Addressing Unmet Need for Family Planning among Excluded and Vulnerable Women in Nepal	1,730	1,194
Family Planning by Choice (FPbC) in Ethiopia	8,118	9,664
WISH – Women's Integrated Sexual Health (Lot 1)	26,966	28,908
Reducing High Fertility Rates and Improving Sexual Reproductive Health Outcomes in Uganda (RISE)	4,541	4,930
DFID UK Aid Connect – Co-creation phase	501	473
Reducing Maternal and Newborn Deaths in Kenya – Improvement Quality of Care (MANI QoC)	11	741
Scaling Up Family Planning in Tanzania	3,083	3,249
Delivering Sustainable and Equitable Increases in Family Planning (DESIP) in Kenya	100	213
Ministry for Foreign Affairs of Finland		
Integrated Reproductive and Maternal Health Programme Phase VII (2018–2020)	824	1,343
Netherlands Ministry of Foreign Affairs		
Scaling Up Excellence – Core Funding	628	1,249
Increasing Access to Quality Family Planning and Reproductive Health for Women and Youth in Yemen	1,337	1,430
Increasing Access to Quality Family Planning and Reproductive Health	301	1,579
Norwegian Agency for Development Cooperation		
Breaking down barriers to Safe Abortion and Post-Abortion Care (SA/PAC) for all women and girls (expansion)	3,710	3,604
Population Services International		
Tsogolo Langa Family Planning Program	1,210	887
The Children's Investment Fund Foundation		
Catalyzing Sayana Press Introduction	729	–
CIFF Sahel Investment	865	2,847

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The annual financial statements are prepared in accordance with UK GAAP and Charities SORP and as a result are likely to differ from financial reports submitted to donors. Income recognised in the financial statements is likely to differ from the cash received from donors during the year. For statutory reporting purposes, donor funds used to purchase assets, e.g. fixed assets or stocks, will initially be recorded on the balance sheet rather than being recognised as expenditure in the Statement of Financial Activities.

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Registered charity number: 265543

Company number: 1102208

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