

MÉDECINS SANS FRONTIÈRES AUSTRALIA LIMITED

ABN 74 068 758 654

**CONSOLIDATED FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2023**

CONSOLIDATED FINANCIAL REPORT FOR THE **FINANCIAL YEAR ENDED 31 DECEMBER 2023**

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DIRECTORS' REPORT

The directors of Médecins Sans Frontières Australia Limited submit herewith the annual Financial Report of the company for the financial year ended 31 December 2023. The names and particulars of the directors during or since the end of the financial year are:

- Katrina Penney** President from 29 May 2021. Elected to Board 29 May 2021. Previously member of the Board 2013-2019. Trustee, MSF New Zealand Charitable Trust. Registered Nurse and Midwife. Board member, Alzheimer's Northland Society. Educator for eCALD – cultural and linguistic diversity (CALD). Resident of New Zealand. Owner/Operator L&P Avo. Attended eight out of eight Directors' meetings in 2023.
- Dwin Tucker** Vice-President from 29 May 2021. President from 23 May 2020 to 29 May 2021. Treasurer from 29 April 2016 to 23 May 2020. Elected to the Board 16 May 2015. Re-elected 25 May 2018. Appointed to the Board 1995-1997. Director, Deafness Forum, Clearasound and TurnkeyIO. Fellow of the Australian Institute of Company Directors. Resident of Australia. Attended seven out of eight Directors' meetings in 2023.
- Dr Andrea Atkinson** Elected to the Board 20 May 2023. Medical doctor (Obstetrics and Gynaecology). Resident of Australia. Attended five out of five Directors' meetings in 2023.
- Kerry Atkins** Treasurer from 28 May 2022. Elected to the Board 12 May 2019. Re-elected to the Board 28 May 2022. CPA qualified, Graduate of the Humanitarian Leadership Program at Deakin University. Director of Finance and Operations, and Company Director, The Nature Conservancy Limited Resident of Australia. Attended eight out of eight Directors' meetings in 2023.
- Emma Campbell** Elected to the Board 28 May 2022. Resigned 21 July 2023. Former CEO of ACT Council of Social Services. Resident of Australia. Attended four out of four Directors' meetings in 2023.
- Maria Cartwright** Elected to the Board 29 May 2021. Registered nurse and midwife. Retired. Resident of Australia. Attended eight out of eight Directors' meetings in 2023.
- Ghassan Abou Chaar** Appointed to the Board 21 September 2022. Resigned 11 September 2023. Vice-President of MSF France. Independent consultant in the development and humanitarian sector. Resident of France. Attended three out of six Directors' meetings in 2023.
- Bethany Lansom** Elected to the Board 22 May 2020. Completed term 20 May 2023. Registered nurse. Principal Policy Officer, Preparedness, State Preparedness & Response Branch, NSW Ministry of Health. Resident of Australia. Attended three out of three Directors' meetings.

DIRECTORS' REPORT

- Dr Sivapalan Namasivayam** Elected to the Board 28 May 2022. Medical Doctor (Anesthetist). Resident of New Zealand. Attended eight out of eight Directors' meetings in 2023.
- Dr Thomas Schaefer** Elected to the Board 15 December 2021. Elected to the Board 28 May 2022. Medical doctor (Orthopaedic surgeon). Resident of Australia. Attended eight out of eight Directors' meetings in 2023.
- Michael Hoey** Elected to the Board 10 August 2023. Registered nurse. Resident of Australia. Attended three out of four Directors' meetings in 2023.
- Dr Matthew Reid** Elected to the Board 10 August 2023. Public health medicine specialist and medical officer of health working in Ōtautahi Christchurch, New Zealand for the National Public Health Service. Resident of New Zealand. Attended four out of four Directors' meetings in 2023.
- Dr Mohammad-Ali Trad** Elected to the Board 29 May 2021. Resigned May 2023. Infectious Diseases Physician in Launceston General Hospital and Honorary senior clinical lecturer at the University of Tasmania. Resident of Australia. Attended three out of three Directors' meetings in 2023.

DIRECTORS' REPORT (continued)

COMPANY SECRETARY (JOINT)

Ms Jennifer Tierney, Executive Director of Médecins Sans Frontières Australia Limited. Ceased Company Secretary duties on 10 August 2023.

Ms Emma Sullivan Smith, Association Coordinator of Médecins Sans Frontières Australia Limited.

Ms Kelly Douglas, General Counsel of Médecins Sans Frontières Australia Limited. Appointed Company Secretary on 10 August 2023.

SHORT-AND LONG-TERM OBJECTIVES AND STRATEGY

The Group's short-and long-term objectives are to:

Continue to deliver our core medical humanitarian work:

- Attracting and developing high-quality project staff and efficiently matching them to the needs of the organisation internationally;
- Raising funds to build sustainable financial health of the organisation so that we can deliver care to patients;
- Speaking out and advocating for and with our patients, bearing witness to their needs and inspiring support in our social mission;
- Providing medical expertise in women's health, paediatric and neonatal health and sexual violence care, and providing direct support to our medical humanitarian projects.

The Group's strategy for achieving these objectives:

Transform our working practice to respond flexibly and effectively to our patients' needs. Our approach is focused around three themes:

- Putting patients first: championing patient-centred care in all the projects in which we work, focusing our communications around a patient-centred narrative, and supporting regional partnerships which are patient-centred, environmentally responsible, locally relevant and more efficient.
- Engaging our communities: shifting our communications approach to improve our engagement with our audiences, continuing to provide excellent donor care and employing new technologies and ways of working to ensure our organisation is prepared for the future.
- Valuing our people: offering an inclusive workplace environment and culture and developing our culture so that we work with greater agility and responsiveness to the needs of our patients.

DIRECTORS' REPORT (continued)**PRINCIPAL ACTIVITIES**

The principal activities of the Group during the financial year to 31 December 2023 have been:

- Fundraising from the Australian and New Zealand general public in order to finance the medical humanitarian operations of Médecins Sans Frontières.
- Liaison with institutions and individuals in Australia and internationally, with a view to obtaining funding or other operational support for medical humanitarian projects, and for coordination with other organisations involved in overseas humanitarian relief.
- Provision of medical expertise in women's health, paediatric and neonatal health and sexual violence care through direct visits to Médecins Sans Frontières medical humanitarian projects overseas, technical support and oversight, preparation of medical staff, medical training, medico-operational research, medical communications and medical policy development.
- Operational participation in medical humanitarian projects, through financing operations; assignment of project staff; participation as faculty in various Australian and international training courses for project staff; and evaluation visits to the projects.
- Engaging with communities in the form of dissemination of public information on humanitarian and development issues; provision of materials and spokespeople to journalists in the print and electronic media; publication of newsletters; participation in seminars; and guest lectureships at secondary schools and universities.

PERFORMANCE MEASURES

The Group measures performance through the establishment and monitoring of benchmarks including:

- 100 per cent compliance with all regulatory requirements;
- Risks are identified, monitored and mitigation strategies put in place;
- Fundraising meets the needs of the organisation to fund operations;
- Proportion of financial resource spend across social mission and administrative costs within an appropriate range;
- Australian and New Zealand recruitment and placement executed to meet resource needs identified within the MSF organisation;
- Patient-centred operational impact for Sydney Medical Unit expertise in women's paediatric and neonatal health and sexual violence care continues; and
- Growth in engagement - communications, awareness raising, and advocacy to inspire support for our patients' needs.

DIRECTORS' REPORT (continued)

The performance against these key performance indicators is as follows:

- Fundraising revenue in 2023 increased by 11.6 per cent compared to prior year.
- Financial resources allocated 75.3 per cent social mission costs and 24.7 per cent fundraising and administration cost in 2023.
- Total 34 new recruits and 135 field placements made during 2023 in accordance with identified needs.
- In 2023, 80 projects in 41 countries received technical oversight, field support and training in women's health, child health and sexual violence care.

REVIEW OF OPERATIONS

The net operating surplus for the financial year to 31 December 2023 was \$1,622,977 (2022: deficit of \$4,792,563).

CHANGES IN STATE OF AFFAIRS

During the financial year, there was no other significant change in the state of affairs of the Group, other than that referred to in the financial statements or notes thereto.

Médecins Sans Frontières Australia Limited continued the strategy of face-to-face fundraising whereby the organisation contracts a third party to approach members of the public, in public places, to recruit new project partners. The financial impact continues to be that a cost is created at the outset that is more than made up over subsequent years of income. Médecins Sans Frontières Australia Limited continues to diversify its sources of funding and to increase regular project partner donations.

Médecins Sans Frontières Australia Limited continues to pay field staff directly from Australia when they go to the field. Project staff are seconded to and managed by the operational centres running each project. The financial impact of this is not significant as the salary cost incurred by Médecins Sans Frontières Australia Limited is recharged to the relevant operational centres.

In total, during 2023, Médecins Sans Frontières Australia Limited committed \$50,360,517 (2022: \$47,267,385) of funds to Operational Centre Paris, and \$21,958,937 (2022: \$20,011,182) to Operational Centre Geneva. Additionally, Médecins Sans Frontières Australia Limited committed \$376,855 to Climate SMART (2022: \$734,142).

In selecting the projects which Médecins Sans Frontières Australia Limited supports through its grant payments to Operational Centre Paris and Operational Centre Geneva, the Department of Foreign Affairs and Trade's List of developing countries' is consulted to ensure compliance requirements are fulfilled.

DIRECTORS' REPORT (continued)**DONATIONS IN KIND**

Over the course of the year the Group has received donations in kind from a number of sources. These donations may be physical assets for use in the Group, items to be sent to the projects or services provided to Médecins Sans Frontières at reduced rates.

The value of donations in kind received during the year to 31 December 2023 is \$289,066 (2022: \$647,893). This amount has been brought to account in the financial statements.

VOLUNTARY ASSISTANCE AND PROJECT STAFF

In addition to donations in kind, the Group recruits a number of project staff for Médecins Sans Frontières operational centres. There are six Médecins Sans Frontières operational centres and they are located in Belgium, France, Holland, Switzerland, Spain and West and Central Africa. The Group estimates that the total salaries forgone by project staff working within their professional capacity in Australia for the year ended 31 December 2023 to be approximately \$2,959,530 (2022: \$1,734,264).

The Group estimates that the total salaries forgone by project staff working within their professional capacity in Australia who undertook assignments of less than three months to be approximately \$597,579 (2022: \$292,233).

Médecins Sans Frontières Australia Limited also has a number of volunteers who freely give their time in the Australia office to assist in office-based activities. The estimated value of this is approximately \$37,075 (2022: \$42,389).

The Board of Directors (except for the President of the Board, who receives a partial salary) and Association also freely give their time to Médecins Sans Frontières Australia Limited. The estimated value of the time provided by the Board of Directors is approximately \$488,750 (2022: \$501,750).

This time donated by office volunteers, and salaries which would have been paid to the project staff, are not brought to account in the financial statements since they cannot be reliably measured (estimates above are based on high level analysis only).

MONEY SPENT

The social mission of Médecins Sans Frontières Australia Limited is to provide assistance to people in distress, to victims of natural or man-made disasters and victims of armed conflict and to increase awareness of the plight of these people. The international Médecins Sans Frontières organisation as a whole, targets a social mission ratio whereby around 80% of expenditure is directly devoted to this social mission. In 2023 Médecins Sans Frontières Australia Limited spent \$89,817,591 on the social mission representing 75.3% of total expenditure (2022: \$81,901,421). A number of factors impact the ratio and will continue to be ongoing factors:

- Maintaining sufficient levels of cash reserves in subsequent years to preserve the safety of operational funding.
- Responding to the operational needs of the operational centres.
- Administrative and Fundraising requirements.

DIRECTORS' REPORT (continued)

SUBSEQUENT EVENTS

There has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

FUTURE DEVELOPMENTS

It is likely that in future financial years, the Group will continue to provide operational, financial, and human resource support to the project operations of Médecins Sans Frontières financed substantially by income from private fundraising. Where possible, subject to the availability of resources, the company intends to increase its level of support for the project operations of Médecins Sans Frontières.

DIVIDENDS

Under the terms of the Group's constitution, the Group is not authorised to pay dividends.

INDEMNIFICATION OF OFFICERS

During the financial year, the Group paid a premium in respect of a contract insuring the directors and officers of the company (as listed on page 3 of the Financial Report) against a liability incurred as such a director to the extent permitted by the Australian Charities and Not-for-profits Commission Act 2012. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer of the company or of any related body corporate against a liability incurred as an officer.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Group has agreed to indemnify its auditors, Crowe Audit Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Crowe Audit Australia during or since the financial year.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Information about the remuneration of directors and senior management is set out in Note 5 of the financial report on pages 32 to 33.

INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration that has been provided in accordance with subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012 is set out on page 11.

Signed in accordance with a resolution of the directors.

On behalf of the directors



Katrina Penney
Director

Sydney, 30 April
2024



Kerry Atkins
Director

Sydney, 30 April
2024

Auditor's Independence Declaration to the Directors of Médecins Sans Frontières Australia Limited

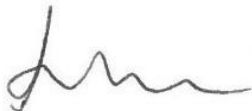
I declare that, to the best of my knowledge and belief, during the year ended 31 December 2023 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012*, in relation to the audit, and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Yours sincerely



Crowe Audit Australia



Alison Swansborough
Partner

30 April 2024
Sydney

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Independent Auditor's Report to the Members of Médecins Sans Frontières Australia Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Médecins Sans Frontières Australia (the Company) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group has been prepared:

1. in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012 (the ACNC Act)*, including:
 - (a) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the year then ended; and
 - (b) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-Profits Commission Regulation 2022*; and
2. in all material respects, in accordance with the requirements of the *Charitable Fundraising Act NSW 1991* and the *Charitable Fundraising Regulation 2015*, and the requirements of the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd.

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

Other Information

The Directors are responsible for the other information. The other information comprises the information contained in the Group's Annual Report for the year ended 31 December 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures, the *ACNC Act, the Charitable Fundraising Act NSW 1991* and the *Charitable Fundraising Regulation 2015*, and the requirements of the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Group'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 management either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

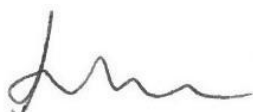
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group financial report.
The auditor is responsible for the direction, supervision and performance of the group audit. The auditor remains solely responsible for the audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

Crowe Audit Australia

Crowe Audit Australia



Alison Swansborough
Partner

30 April 2024
Sydney

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Médecins Sans Frontières Australia Limited, I state that in the opinion of the directors:

(a) the consolidated financial statements and notes of the Group are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

- giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the year ended on that date; and
- complying with Australian Accounting Standards – Simplified Disclosures and the Australian Charities and Not-for-profits Commission Regulation 2022; and

(b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Directors' Declaration under the NSW Charitable Fundraising Act 1991

In accordance with a resolution of the directors of Médecins Sans Frontières Australia Limited, I state that in the opinion of the directors:

(a) the Consolidated Statement of Comprehensive Income gives a true and fair view of all income and expenditure of the Group with respect to fundraising appeals;

(b) the Consolidated Statement of Financial Position gives a true and fair view of the state of affairs of the Group with respect to fundraising appeals;

(c) the provisions and regulations of the NSW Charitable Fundraising Act 1991 and the conditions attached to the authority to fundraise have been complied with by the Group; and

(d) the internal controls exercised by the Group are appropriate and effective in accounting for all income received and applied by the Group from any of its fundraising appeals.

On behalf of the Board



Katrina Penney
Director

Sydney, 30 April
2024



Kerry Atkins
Director

Sydney, 30 April
2024

Consolidated Statement of Comprehensive Income
for the financial year ended 31 December 2023

	Note	2023	2022
		\$	\$
Revenue	4	120,936,212	108,297,599
<i>Social mission costs</i>			
Field Project costs		(79,708,718)	(74,564,528)
Other project costs		(4,763,329)	(4,088,439)
Community education expenses		(5,345,544)	(3,248,454)
<i>Total social mission costs</i>		<u>(89,817,591)</u>	<u>(81,901,421)</u>
<i>Fundraising and Administration costs</i>			
Fundraising costs		(20,526,548)	(22,643,877)
Administration expenses		(8,969,096)	(8,544,865)
<i>Total Fundraising and Administration costs</i>		<u>(29,495,644)</u>	<u>(31,188,742)</u>
(Deficit)/Surplus before tax		1,622,977	(4,792,563)
Income tax expense		<u>-</u>	<u>-</u>
(Deficit)/Surplus for the year from continuing operations		<u>1,622,977</u>	<u>(4,792,563)</u>
<i>Other comprehensive profit</i>		<u>10,472</u>	<u>7,149</u>
Total comprehensive (Deficit)/Surplus for the year		<u>1,633,449</u>	<u>(4,785,414)</u>

Notes to the consolidated financial statements are included in pages 21 to 45

Consolidated Statement of Financial Position
As at 31 December 2023

	Note	2023	2022
		\$	\$
Current Assets			
Cash and cash equivalents		21,739,070	17,325,121
Trade and other receivables	8	1,924,175	2,346,167
Other	9	994,901	644,918
Total Current Assets		24,658,146	20,316,206
Non-current Assets			
Property, plant and equipment	7	167,454	266,092
Right-of use asset	12	228,685	670,477
Other	9	-	215,337
Total Non-current Assets		396,139	1,151,906
Total Assets		25,054,285	21,468,112

Notes to the consolidated financial statements are included in pages 21 to 45

Consolidated Statement of Financial Position
As at 31 December 2023

	Note	2023	2022
		\$	\$
Current Liabilities			
Trade and other payables	10	5,869,814	3,719,600
Provisions	11	1,839,775	1,301,296
Lease Liability	12	171,510	443,729
Total Current Liabilities		<u>7,881,099</u>	<u>5,464,625</u>
Non-Current Liabilities			
Provisions	11	188,351	461,290
Lease Liability	12	-	190,811
Total Non-Current Liabilities		<u>188,351</u>	<u>652,101</u>
Total Liabilities		<u>8,069,450</u>	<u>6,116,726</u>
Net Assets		<u>16,984,835</u>	<u>15,351,386</u>
Equity			
Reserves	14	(158,371)	(168,843)
Retained Surplus	13	17,143,206	15,520,229
Total Equity		<u>16,984,835</u>	<u>15,351,386</u>

Notes to the consolidated financial statements are included in pages 21 to 45

Consolidated Statement of Changes in Equity
for the financial year ended 31 December 2023

	Note	Foreign currency translatio n reserve \$	Retained surplus/ (deficit) \$	Total \$
Balance at 1st January 2022		(175,992)	20,312,792	20,136,800
Deficit for the year		-	(4,792,563)	(4,792,563)
Other comprehensive profit for the year		7,149	-	7,149
Total comprehensive loss for the year		7,149	(4,792,563)	(4,785,414)
Balance at 31 December 2022		(168,843)	15,520,229	15,351,386
Surplus for the year		-	1,622,977	1,622,977
Other comprehensive profit for the year		10,472	-	10,472
Total comprehensive deficit for the year		10,472	1,622,977	1,633,449
Balance at 31 December 2023	14	(158,371)	17,143,206	16,984,835

Notes to the consolidated financial statements are included in pages 21 to 45

Consolidated Statement of Cash Flow
for the financial year ended 31 December 2023

	2023	2022
	\$	\$
Cash flows from operating activities		
Receipts from donors and supporters	112,362,964	100,685,698
Receipts from services recharged	8,269,959	6,366,914
Interest received	480,731	167,396
Payment for field project costs	(72,511,117)	(71,726,473)
Payments to suppliers and employees	(43,265,927)	(42,913,502)
Net cash flow from/(used in) operating activities	5,336,610	(7,419,967)
Cash flow from investing activities		
Proceeds from (payment) for plant and equipment	(437,045)	(168,265)
Net cash flow (used in) investing activities	(437,045)	(168,265)
Cash flow from financing activities		
Interest paid	(22,528)	(45,387)
Payment of principal portion of lease liabilities	(463,030)	(383,364)
Net cash flow used in financing activities	(485,558)	(428,751)
Net increase/(decrease) in cash and cash equivalents	4,414,007	(8,016,983)
Cash and cash equivalents at the beginning of the financial year	17,325,121	25,342,104
Cash and cash equivalents at the end of the financial year	21,739,128	17,325,121

Notes to the consolidated financial statements are included in pages 21 to 45

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

1. GENERAL INFORMATION

Médecins Sans Frontières Australia Limited is a public company limited by guarantee, incorporated, and operating in Australia.

Principal registered office and principal place of business:

Level 4
1-9 Glebe Point Road
Glebe, NSW 2037

Tel: (02) 8570 2600

Further information on the nature of the operations and principal activities of the Group is provided in the Directors' Report.

The Financial statements were authorised for issue, in accordance with a resolution of directors, on 29 April 2024.

2. MATERIAL ACCOUNTING POLICIES

Statement of Compliance

The Group is a registered charity and a reporting entity. Therefore the financial statements of the Group are tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures issued by the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Regulation 2022, as appropriate for not-for-profit oriented entities.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.1. Basis of Preparation

The Financial Report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and Australian Accounting Standards – Simplified Disclosures and other authoritative pronouncements of the Australian Accounting Standards Board. The Financial Report has also been prepared on a historical cost basis. All amounts are presented in Australian dollars, unless otherwise noted.

In addition, the Group presents an additional statement of financial position at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements.

2.2 Basis of Consolidation

The consolidated financial statements of the Group include a wholly owned subsidiary, Médecins Sans Frontières New Zealand Charitable Trust which commenced operations in April 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Surplus or deficit and each component of Other Comprehensive Income (“OCI”) are attributed to the Parent of the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies. All intra-Group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest, and other components of equity, while any resultant gain or loss is recognised in surplus or deficit. Any investment retained is recognised at fair value.

In 2023 the accumulated investment in Médecins Sans Frontières New Zealand Charitable Trust is impaired in Médecins Sans Frontières Australia (Parent) financial statements.

2.3 Summary of Material Accounting Policies

a) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

b) Donations in kind and voluntary assistance

Over the course of the year the Group has received donations in kind from a number of sources. These donations may be items used in the office, or services provided at reduced rates. Donations in kind of plant and equipment are recorded at fair value. Items to be used in the office and services provided for no consideration are also brought to account in the financial statements at the fair value of the items or services received.

In addition to donations in kind, both office volunteers and project staff sent to the field donate their time to Médecins Sans Frontières Australia Limited. This time donated by office volunteers and salaries foregone by project staff are not brought to account in the financial statements since they cannot be reliably measured.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

c) Revenue from contracts with donors

The Group is in the business of fundraising from the general public. Revenue from contracts with our donors is recognised when cash is received.

The Group does not receive government grants, either state or federal.

d) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date.

They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

e) Fundraising expenses

Fundraising expenses include those costs, which are directly attributable to fundraising, such as function expenses, promotions, printing and mailing and employee expenses. These expenses are brought to account in the period in which they are incurred.

f) Field project costs

Field project costs include expenses associated with remitting funds to our operational centres and the costs of deploying and paying project staff.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

g) Trade and other receivables

Trade and other receivables, which comprise amounts due from Médecins Sans Frontières International entities, GST recoverable and others, are recognised and carried at original invoice amount. The carrying amount of the receivable is deemed to reflect fair value. These receivables are non-interest bearing.

An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of liabilities as a receivable.

h) Income tax

Section 50-5 of the Income Tax Assessment Act provides that certain bodies will be exempt from income tax. The Group is exempt from income tax in accordance with the Act; accordingly, no provision for income tax has been recorded.

i) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases as leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

i) Leases (continued)

i. Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date of the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment of losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

- Office Building 3 to 15 years

If ownership of the leased asset transfers to the Group at the end of the lease terms or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii. Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in the Current liabilities with the current lease expiring 31 May 2024.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

i) Leases (continued)

iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to lease of office equipment that considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

J) Payables

Trade payables and other accounts payable are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services.

k) Plant and equipment

Plant and equipment and leasehold improvements are stated at cost, less accumulated depreciation, and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item.

Depreciation is provided on plant and equipment and is calculated on a straight-line basis so as to write off the net cost of each asset over its expected useful life. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

Derecognition and disposal

An item of plant and equipment is derecognised upon disposal, when the item is no longer used in the operations of the Group or when it has no sale value. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in surplus or deficit in the year the asset is derecognised.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

l) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event. It is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of provision.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

m) Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised net of the amounts of goods and services tax (GST) payable to the Australia Taxation Office.

i) Revenue from fundraising

Donations

Donations collected, including cash and goods for resale, are recognised as revenue when the Group gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Legacies & Bequests

Legacies & bequests are recognised when received.

ii) Investment income

Investment income mainly comprises interest income. Interest income is recognised as it accrues, using the effective interest method.

iii) Asset sales

The gain or loss on disposal of all non-current assets is determined as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

n) Foreign currencies

The Group's consolidated financial statements are presented in Australian dollars, which is also the Parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss is reclassified to surplus, or deficit reflects the amount that arises from using this method.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

n) Foreign currencies (continued)

i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in surplus or deficit with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. These are recognised in Other Comprehensive Income (OCI) until the net investment is disposed of, at which time, the cumulative amount is reclassified to surplus or deficit. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or surplus or deficit are also recognised in OCI or surplus or deficit, respectively).

ii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Australian dollars at the rate of exchange prevailing at the reporting date and their statements of surplus or deficit are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to surplus or deficit.

o) SAAS

In accordance with the International Financial Reporting Standards (IFRS) Interpretations Committee (the 'Committee') Agenda Decisions in March 2019 with respect to accounting for SAAS arrangements, the group has not capitalized as an intangible asset the implementation of new SAAS products currently in implementation.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The application of Australian Accounting Standards requires making judgments, estimates and assumptions to be made about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements that management has made that have the most significant effect on the amounts recognised in the financial statements:

- i. Provisions for employee benefits – management judgement is applied in determining the future increase in wages and salaries, future on cost rates and experience of employee departures and expected period of service. Refer to Note 11 for further details.

The above judgements are considered to have a significant effect on the accounts and the basis of estimation are included within Note 2.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
4. REVENUE		
Revenue		
Revenue from operations consisted of the following:		
Fundraising revenue:		
Donations	112,362,964	100,685,698
Interest revenue:		
Bank deposits	480,731	167,396
Other revenue:		
Recharge for services to Médecins Sans Frontières		
International entities	7,416,923	6,631,721
Other Income	386,528	164,891
Non-monetary income (donation-in-kind)	289,066	647,893
Total Revenue	120,936,212	108,297,599

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

5. KEY MANAGEMENT PERSONNEL REMUNERATION

The directors and other members of key management personnel of Médecins Sans Frontières Australia Limited during the year were:

- Ms Katrina Penney (President, non-executive)
- Mr Dwin Tucker (Vice President, non-executive)
- Ms Kerry Atkins (Treasurer) from May 2022
- Ms Andrea Atkinson (non-executive) from May 2023
- Ms Maria Cartwright (non-executive)
- Ms Bethany Lansom (non-executive)
- Dr Thomas Schaefer (non-executive)
- Dr Matthew Reid (non-executive)
- Ms Emma Campbell (non-executive), from May 2022
- Dr Sivapalan Namasivayam (non-executive), from May 2022
- Mr Michael Hoey (non-executive), from August 2023
- Mr Ghassan Abou Chaar (non-executive), resigned September 2023
- Ms Jennifer Tierney (Executive Director and Company Secretary until August 2023)
- Ms Clare Wimshurst (Director of Business Operations) from July 2023
- Ms Agathi Kissouri (Head of New Zealand) from August 2023
- Mr Robin Sands (Head of International Human Resources)
- Ms Shereena-Lee van de Berkt (Head of Domestic Human Resources)
- Mr Thomas Duggan (Head of Fundraising), from March 2023
- Ms Sophie McNamara (Head of Communications)
- Mr Arnold Abundo (Head of IT and Transformation)
- Mr Simon Eccleshall (Head of Programs)
- Ms Ashley Killeen (Director of Engagement), from July 2023
- Ms Melanie Triffitt (Director of Business Operations) resigned April 2023
- Ms Maryjane Aviles (Director of Engagement) resigned April 2023
- Ms Clare Fotheringham (Head of Medical Unit) resigned April 2023
- Mr Muhammad Wazirzada (Head of Digital Marketing) resigned March 2023
- Ms Kelly Douglas (General Counsel and Company Secretary from August 2023)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

Except for the President, the directors provide their services on a voluntary basis. During the course of their duties, business expenses incurred by the directors were reimbursed (Note 16). The aggregate compensation of the key management personnel of the Group is set out below:

	2023	2022
	\$	\$
Key Management Remunerations (excluding the Board President)	2,141,575	1,995,270
President of the Board Remuneration	91,402	84,197

6. REMUNERATION OF AUDITORS

The auditor of the Group is Crowe Audit Australia, an affiliate of Findex (Findex Aust Pty Ltd) 2022 Auditor: Crowe Audit Australia

Amounts received or due and receivable for:

Audit of the financial report	68,900	65,000
Other Services	-	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

7. PLANT AND EQUIPMENT

	Office equipment at cost	Furniture and fittings at cost	Website and Software at cost	Total
	\$	\$	\$	\$
Gross carrying amount				
Balance at 1 January 2022	745,737	1,193,997	470,258	2,409,992
Additions	92,875	14,329	61,061	168,265
Disposals	-	-	-	-
Balance at 1 January 2023	838,612	1,208,326	531,319	2,578,257
Additions	46,195	47,000	348,220	441,415
Disposals	(116,538)	-	(352,657)	(469,195)
Balance at 31 December 2023	768,269	1,255,326	526,882	2,550,477
Accummulated depreciation and impairment				
Balance at 1 January 2022	620,049	1,126,629	462,694	2,209,372
Depreciation expense	92,103	8,307	2,383	102,793
Disposals	-	-	-	-
Balance at 1 January 2023	712,152	1,134,936	465,077	2,312,165
Depreciation expense	90,501	72,998	52,874	216,373
Disposals	(112,190)	-	(33,325)	(145,515)
Balance at 31 December 2023	690,463	1,207,934	484,626	2,383,023
Net book value				
As at 31 December 2022	126,460	73,389	66,242	266,092
As at 31 December 2023	77,806	47,392	42,256	167,454

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
8. TRADE AND OTHER RECEIVABLES		
<i>Current</i>		
Amounts due from Médecins Sans Frontières		
International entities	1,465,701	1,844,208
Good and services tax (GST) recoverable	214,152	501,959
Income received in advance	244,322	-
	<u>1,924,175</u>	<u>2,346,167</u>
9. OTHER ASSETS		
<i>Current</i>		
Prepayments	779,563	552,763
Inventories	-	4,139
Rental bond	215,338	-
Other	-	88,016
	<u>994,901</u>	<u>644,918</u>
<i>Non-Current Asset</i>		
Rental bond	-	215,337
10. TRADE AND OTHER PAYABLES		
<i>Current</i>		
Trade payables	2,098,814	1,354,627
Grants payables	3,176,856	1,716,380
Accruals	594,144	648,593
	<u>5,869,814</u>	<u>3,719,600</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
11. PROVISIONS		
<i>Current</i>		
Employee benefits	1,502,775	1,301,296
Make good provisions	337,000	-
	<u>1,839,775</u>	<u>1,301,296</u>
<i>Non-current</i>		
Employee benefits	188,351	171,290
Make good provisions	-	290,000
	<u>188,351</u>	<u>461,290</u>
	Employee benefits	Make Good Provision
	\$	\$
Balance at 1 January 2023	1,472,586	290,000
Movement	218,540	47,000
Balance at 31 December 2023	<u>1,691,126</u>	<u>337,000</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

12. LEASES

Set out below is the carrying amount of right-of-use asset recognised and the movements during the period.

	2023	2022
	\$	\$
Office Building	670,477	953,837
Depreciation expenses	(441,792)	(283,360)
Balance	<u>228,685</u>	<u>670,477</u>

Set out below is the carrying amount of lease liability and the movements during the period

Office Building	634,540	1,017,904
Reassessment of lease terms	-	-
Total Office Building	<u>634,540</u>	<u>1,017,904</u>
Accretion of interest	22,528	45,387
Payments	(485,558)	(428,751)
Balance	<u>171,510</u>	<u>634,540</u>
Current	171,510	443,729
Non-Current	-	190,811

The following are the amounts recognised in deficit or surplus

Depreciation expense of right-of-use assets	441,792	283,360
Interest expense on lease liabilities	22,528	45,387
Expense relating to lease of low-value assets (included in administration expenses)	-	<u>561</u>
Total amount recognised in deficit or surplus	<u>464,320</u>	<u>329,308</u>

The Group had total cash outflow for leases of \$485,558 in 2023 (2022: \$429,312). The Group had \$0 in non-cash addition to right-of-use assets and lease liabilities in 2023 (2022: \$0).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

13. RETAINED EARNINGS

	2023	2022
	\$	\$
Balance at the beginning of the financial year	15,520,229	20,312,792
Net (deficit)/surplus	1,622,977	(4,792,563)
Balance at end of financial year	<u>17,143,206</u>	<u>15,520,229</u>

14. FOREIGN CURRENCY RESERVE

	Foreign Currency Translation	
	2023	2022
	\$	\$
Opening balance	(168,843)	(175,992)
Foreign exchange translation differences	10,472	7,149
Closing balance	<u>(158,371)</u>	<u>(168,843)</u>

Foreign currency translation reserve

This relates to currency translation gains and losses arising during the year.

15. MEMBERS GUARANTEE

Médecins Sans Frontières Australia Limited is a company limited by guarantee. If the company is wound up, the Constitution state that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 31 December 2023, the number of members was 302 (2022: 302).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

16. RELATED PARTIES

Group Information

The consolidated financial statements of the Group include a wholly owned subsidiary, Médecins Sans Frontières New Zealand Charitable Trust that commenced operations in April 2017.

Médecins Sans Frontières Australia Limited provides services to and services from Medecins Sans Frontieres International entities.

Transactions with related parties

During the year, entity within the Group entered into the following transactions with related parties who are not members of the Group:

	Income from Partners for Grants and Recharges		Grants to and Recharges from Partners	
	2023	2022	2023	2022
MSF International	279,192	344,688	2,654,573	2,474,079
MSF Spain	143,889	126,056	1,414	15,652
MSF Belgium	745,968	607,533	167,828	12,500
MSF Holland	1,176,958	899,966	20,587	6,895
MSF Switzerland	2,218,529	1,751,772	21,958,937	18,857,288
MSF France	1,752,640	1,920,765	50,360,517	43,995,988
MSF HongKong	416,852	301,012	501,034	611,184
MSF Japan	416,852	301,012	34,108	47,818
MSF United Kingdom	129,833	221,129	38,294	21,053
MSF Canada	121,770	79,993	-	316,629
MSF Brazil	14,444	77,793	-	-
MSF Eastern Africa	-	-	-	19,851
MSF Germany	-	-	197,078	98,054
MSF USA	-	-	8,802	26,347
MSF Greece	-	-	19,456	-
MSF Dakar	-	-	407,745	-
MSF Austria	-	-	10,293	-
	<u>7,416,927</u>	<u>6,631,719</u>	<u>76,380,666</u>	<u>66,503,338</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

At the end of the year, the following balances were outstanding between entities within the Group and related parties who are not members of the Group:

	Amounts owed by related parties		Amounts owed to related parties	
	2023	2022	2023	2022
MSF International	238,306	287,252	590,940	466,342
MSF Spain	15,041	26,034	-	(220)
MSF Belgium	170,829	32,263	-	12,500
MSF Holland	253,869	191,364	5,630	7,074
MSF Switzerland	291,182	655,137	1,518,453	461,935
MSF France	283,868	415,475	1,742,232	659,994
MSF HongKong	85,061	72,306	31,903	53,335
MSF Japan	85,061	51,183	(1,005)	8,308
MSF United Kingdom	18,399	20,726	-	-
MSF Canada	20,492	14,676	-	294,567
MSF Brazil	-	77,793	-	-
MSF Austria	-	-	10,293	-
MSF USA	-	-	-	359
MSF Germany	-	-	37,154	31,766
MSF Greece	-	-	11,376	-
MSF Dakar	-	-	125,594	-
	<u>1,462,108</u>	<u>1,844,209</u>	<u>4,072,570</u>	<u>1,995,960</u>

The Board of Médecins Sans Frontières Australia Limited approved the reimbursement of the following business expenses incurred by the directors of the company in the course of their duties as a director during the year:

	Amount (\$)
Kerry Atkins	1,623
Matthew Reid	884
Emma Campbell	3,101
Sivapalan Namasivayam	903
Dwin Tucker	1,606
Katrina Penney	3,412
Thomas K Schaefer	712
Beth Hilton-Thorp	464

17. SUBSEQUENT EVENTS

There has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

18. INFORMATION RELATING TO MEDECINS SANS FRONTIERES AUSTRALIA LIMITED (THE PARENT)

	2023	2022
	\$	\$
Current Assets	21,960,145	18,371,185
Total Assets	22,356,227	37,757,496
Current Liabilities	7,820,114	4,969,870
Total Liabilities	8,008,465	6,065,700
Retained Surplus	14,347,820	31,691,797
(Deficit)/surplus of the parent entity	(17,343,977)	(5,911,410)
Total comprehensive (loss)/income of the parent entity	(17,343,977)	(5,911,410)

The Parent had no material contingent liabilities as at 31 December 2023

The Parent had no commitments as at 31 December 2023

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

**19. DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023
(THE PARENT)**

	2023	2022
	\$	\$
Revenue:		
Donation and gifts		
Monetary	88,466,463	81,423,757
Non-monetary (in-kind)	282,919	567,123
Legacies and bequests	16,105,288	12,130,006
Investments income	379,301	151,626
Other income	7,803,220	6,796,279
Total Revenue	<u>113,037,191</u>	<u>101,068,791</u>
Expenses:		
International aid and development program expenditure		
Funds to international programs	73,886,899	68,598,319
Program support costs	6,511,384	5,901,898
Community education	3,818,707	1,759,743
Fundraising costs (Public)	16,487,353	17,648,206
Accountability and administration	7,932,583	7,633,637
Non-monetary expenditure (in-kind)	282,919	567,123
Total international aid and development program expenditure	<u>108,919,845</u>	<u>102,108,926</u>
Impairment in investment of MSF New Zealand	<u>21,461,323</u>	<u>4,917,746</u>
(Shortfall)/excess of revenue over expenditure	<u>(17,343,977)</u>	<u>(5,957,881)</u>

Impairment of \$21,461,323 made to Médecins Sans Frontières Australia Limited's investment in Medecins Sans Frontieres New Zealand Trust as a result of confirmation by the directors that no repayment will be required for investments made since 2018.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

20. DETAILS OF FUNDRAISING APPEALS

	2023	2022
	\$	\$
Details of aggregate gross income and total expenses on fundraising appeals (i)		
Newspaper, magazine advertisements and inserts	797,482	873,601
Acquisition	240,454	192,716
Bequest	16,105,838	12,514,489
Newsletters/appeals	11,471,577	11,777,203
Other general campaign	3,012,350	1,021,224
Events	839,962	849,750
Field partners	38,076,592	42,485,325
Online	25,394,672	16,744,997
Unsolicited Income	4,116,487	3,259,414
Telemarketing	4,495,477	3,835,045
New Zealand	7,812,074	7,131,933
	<u>112,362,965</u>	<u>100,685,697</u>
Less: Total direct costs of fundraising appeals		
Newspaper, magazine advertisements and inserts	169,664	119,745
Acquisitions	232,883	28,590
Bequest	276,871	280,786
Newsletters/appeals	2,069,743	1,931,482
Other general campaigns	208,862	636,160
Events	36,814	67,698
Field Partners	7,730,999	7,988,679
Online	3,633,161	1,962,071
Telemarketing	1,680,673	3,268,748
	<u>16,039,670</u>	<u>16,283,959</u>
Net surplus obtained from fundraising appeals	<u>96,323,295</u>	<u>84,401,738</u>

(i) The Charitable Fundraising Act 1991 defines income from fundraising appeals as excluding bequest and unsolicited donations. The total income shown above includes both bequests and unsolicited donations, shown as separate items. Income excluding these amounts was \$92,140,640 (2022: \$84,911,794). Net surplus excluding these amounts was \$76,100,970 (2022: \$68,627,835).

Income is reported against the original donation source, in order to reflect the full income generated by appeals.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

21. FUNDS RECEIVED FROM THE GENERAL PUBLIC APPLIED IN CHARITABLE PURPOSES

	2023	2022
	\$	\$
Net surplus from fundraising appeals	96,323,295	84,401,738
This was applied to the charitable purposes in the following manner:		
Funds to overseas projects	(79,708,718)	(74,564,528)
Other project costs	(4,763,329)	(4,088,439)
Community education expenses	(5,345,544)	(3,248,454)
Balance/(deficit) applied to support at Médecins Sans Frontières Australia	<u>6,505,704</u>	<u>2,500,317</u>
Funds to overseas projects were expended by the following parties on behalf of Médecins Sans Frontières Australia Limited:		
Médecins Sans Frontières France	50,360,517	47,267,384
Médecins Sans Frontières Switzerland	21,582,082	20,011,182
Médecins Sans Frontières International	1,260,831	1,168,545
Climate SMART - TIC	376,855	734,142
Other (SEEAP Supply)	223,480	198,939
Medecins Sans Frontieres Belgium	155,328	-
Médecins Sans Frontières Academy	12,500	12,500
Medecins Sans Frontieres Holland	-	9,000
	<u>73,971,593</u>	<u>69,401,692</u>
Project staff costs	4,698,760	4,548,678
Kiribati Program costs	<u>1,038,365</u>	<u>614,158</u>
Total funds to overseas projects	<u><u>79,708,718</u></u>	<u><u>74,564,528</u></u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

22. COMPARISON OF CERTAIN MONETARY FIGURES & PERCENTAGES

		2023	2022	2023	2022
		\$	\$	%	%
Total cost of fundraising	⊕	20,526,548	22,643,877	18%	22%
Gross income from fundraising		112,362,965	100,685,697		
Net surplus from fundraising	⊕	91,836,416	78,041,820	82%	78%
Gross income from fundraising		112,362,965	100,685,697		
Total cost of services	⊕	89,817,591	81,901,421	91%	91%
Total expenditure (excluding costs of fundraising)		98,786,687	90,446,286		
Total cost of services	⊕	89,817,591	81,901,421	89%	96%
Total income received (net of fundraising costs)		100,409,664	85,653,722		

Gross comparisons including fundraising covered by the Charitable Fundraising Act

Cost of fundraising appeals	⊕	20,526,548	22,643,877	22%	27%
Gross income from fundraising appeals		92,140,640	84,911,794		
Net surplus from fundraising appeals	⊕	71,614,092	62,267,917	78%	73%
Gross income from fundraising appeals		92,140,640	84,911,794		

23. LIST OF TYPES OF FUNDRAISING APPEALS CONDUCTED DURING THE FINANCIAL PERIOD

- Newspaper and Magazine Advertisements and Inserts
- Direct and Unaddressed Mail Donor Acquisition
- Field Partner (Regular Giving) Acquisition and Retention
- Trusts and Foundations
- Bequest Program
- Major Donor Program
- Telefundraising Program
- Workplace Giving
- Online
- Social Media (Facebook and Google Ads)