

**Médecins Sans Frontières USA, Inc.**  
**d/b/a Doctors Without Borders USA, Inc.**

**Financial Statements**  
**Year Ended December 31, 2021**

**Médecins Sans Frontières USA, Inc.**  
d/b/a Doctors Without Borders USA, Inc.

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Financial Statements  
Year Ended December 31, 2021

**Médecins Sans Frontières USA, Inc.**  
**d/b/a Doctors Without Borders USA, Inc.**

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## Independent Auditor's Report

The Board of Directors  
Médecins Sans Frontières USA, Inc.  
d/b/a Doctors Without Borders USA, Inc.  
New York, New York

### ***Opinion***

We have audited the financial statements of Médecins Sans Frontières USA, Inc. d/b/a Doctors Without Borders USA, Inc. (MSF USA), which comprise the statement of financial position as of December 31, 2021, the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of MSF USA as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of MSF USA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements, in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about MSF USA's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

### ***Auditor's 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



auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 MSF USA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about MSF USA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

#### **Report on Summarized Comparative Information**

We have previously audited the 2020 financial statements of Médecins Sans Frontières USA, Inc. d/b/a Doctors Without Borders USA, Inc. and our report dated May 25, 2021 expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*BDO USA, LLP*

May 16, 2022

**Médecins Sans Frontières USA, Inc.**  
**d/b/a Doctors Without Borders USA, Inc.**

**Statement of Financial Position**  
**(with comparative totals for 2020)**

<i>December 31,</i>	<b>2021</b>	<b>2020</b>
<b>Assets</b>		
Cash and cash equivalents (Notes 2 and 16)	\$ 102,662,266	\$ 101,194,116
Short-term investments, at fair value (Notes 2 and 4)	177,771,461	94,372,781
MSF USA network receivables (Note 2)	4,512,568	9,130,819
Contributions receivable (Notes 2 and 5)	38,154,664	53,217,769
Pledges receivable, net (Notes 2 and 6)	2,111,358	1,962,805
Loan receivable (Note 10)	22,088,420	22,088,420
Prepaid expenses and other assets	4,852,260	7,096,590
Long-term investments, at fair value (Notes 2 and 4)	64,175,016	47,533,600
Fixed assets, net (Notes 2 and 8)	54,814,318	55,079,725
<b>Total Assets</b>	<b>\$ 471,142,331</b>	<b>\$ 391,676,625</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Grants payable (Notes 2 and 15)	\$ 97,376,584	\$ 64,492,909
Accounts payable and accrued expenses	19,229,872	12,300,116
MSF USA network payables	152,084	370,019
Capitalized lease obligation	19,647	38,202
Revocable endowment (Note 2)	3,250,000	3,250,000
Annuity and other life income agreement obligations (Note 7)	19,088,601	20,056,615
Mortgage payable (Note 14)	7,658,987	8,356,409
<b>Total Liabilities</b>	<b>146,775,775</b>	<b>108,864,270</b>
<b>Commitments and Contingencies (Notes 7, 9, 14, 15, and 16)</b>		
<b>Net Assets (Notes 2, 11, 12, and 13)</b>		
Without donor restrictions:		
Undesignated	281,750,173	257,507,522
Board-designated for reserves	2,154,758	2,008,265
<b>Total Without Donor Restrictions</b>	<b>283,904,931</b>	<b>259,515,787</b>
With donor restrictions	40,461,625	23,296,568
<b>Total Net Assets</b>	<b>324,366,556</b>	<b>282,812,355</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 471,142,331</b>	<b>\$ 391,676,625</b>

*See accompanying notes to financial statements.*

**Médecins Sans Frontières USA, Inc.**  
**d/b/a Doctors Without Borders USA, Inc.**

**Statement of Activities**  
**(with comparative totals for 2020)**

Year ended December 31,

	Without Donor Restrictions	With Donor Restrictions	Total	
			2021	2020
<b>Revenues</b>				
Public support:				
Contributions and private grants:				
Individual donors/marketing	\$ 392,662,748	\$ 17,704,929	\$ 410,367,677	\$ 348,083,908
Sustainer giving	48,897,064	756	48,897,820	44,490,456
Planned giving	114,799,676	12,845,086	127,644,762	104,128,601
Foundations	7,716,299	5,342,600	13,058,899	14,945,310
Corporations	16,957,322	3,734,439	20,691,761	27,733,204
Multi-year grants and contributions pledged	-	2,715,000	2,715,000	970,000
<b>Total Public Support</b>	<b>581,033,109</b>	<b>42,342,810</b>	<b>623,375,919</b>	<b>540,351,479</b>
Other revenues:				
Investment (loss) income, net (Note 2)	1,968,216	3,020,279	4,988,495	6,603,634
Actuarial gain (loss) on annuity and trust obligations (Note 7)	-	860,687	860,687	(2,808,685)
Rental income, net	30,000	-	30,000	57,500
MSF USA network grants	5,990,318	-	5,990,318	8,065,625
Seconded field staff grants	6,354,361	-	6,354,361	6,676,551
Miscellaneous	(327,729)	-	(327,729)	342,875
<b>Total Other Revenues</b>	<b>14,015,166</b>	<b>3,880,966</b>	<b>17,896,132</b>	<b>18,937,500</b>
<b>Total Public Support and Other Revenues</b>	<b>595,048,275</b>	<b>46,223,776</b>	<b>641,272,051</b>	<b>559,288,979</b>
<b>Contributions of In-Kind Services (Note 2)</b>	<b>1,307,120</b>	<b>-</b>	<b>1,307,120</b>	<b>1,877,335</b>
<b>Net Assets Released from Restrictions (Note 12)</b>	<b>29,058,719</b>	<b>(29,058,719)</b>	<b>-</b>	<b>-</b>
<b>Total Revenues and In-Kind Services</b>	<b>625,414,114</b>	<b>17,165,057</b>	<b>642,579,171</b>	<b>561,166,314</b>
<b>Expenses</b>				
Program services:				
Emergency and medical programs	486,495,329	-	486,495,329	392,569,579
Program support and development	15,557,221	-	15,557,221	19,229,480
Field staff	6,639,555	-	6,639,555	6,836,113
Communications	4,272,736	-	4,272,736	4,135,499
<b>Total Program Services</b>	<b>512,964,841</b>	<b>-</b>	<b>512,964,841</b>	<b>422,770,671</b>
Supporting services:				
Management and general	5,734,422	-	5,734,422	4,323,679
Fundraising	81,018,587	-	81,018,587	72,353,312
<b>Total Supporting Services</b>	<b>86,753,009</b>	<b>-</b>	<b>86,753,009</b>	<b>76,676,991</b>
<b>Total Expenses</b>	<b>599,717,850</b>	<b>-</b>	<b>599,717,850</b>	<b>499,447,662</b>
<b>In-Kind Services (Note 2)</b>	<b>1,307,120</b>	<b>-</b>	<b>1,307,120</b>	<b>1,877,335</b>
<b>Total Expenses and In-Kind Services</b>	<b>601,024,970</b>	<b>-</b>	<b>601,024,970</b>	<b>501,324,997</b>
<b>Excess of Revenues Over Expenses</b>	<b>24,389,144</b>	<b>17,165,057</b>	<b>41,554,201</b>	<b>59,841,317</b>
<b>Increase in Net Assets</b>	<b>24,389,144</b>	<b>17,165,057</b>	<b>41,554,201</b>	<b>59,841,317</b>
<b>Net Assets, beginning of year</b>	<b>259,515,787</b>	<b>23,296,568</b>	<b>282,812,355</b>	<b>222,971,038</b>
<b>Net Assets, end of year</b>	<b>\$ 283,904,931</b>	<b>\$ 40,461,625</b>	<b>\$ 324,366,556</b>	<b>\$ 282,812,355</b>

*See accompanying notes to financial statements.*

**Médecins Sans Frontières USA, Inc.**  
**d/b/a Doctors Without Borders USA, Inc.**

**Statement of Functional Expenses**  
**(with comparative totals for 2020)**

Year ended December 31,

	Program Services				Supporting Services			Total		
	Emergency and Medical Services	Program Support and Development	Field Staff <sup>(1)</sup>	Communications	Total Program Services	Management and General	Fundraising	Total Supporting Services	2021	2020
Salaries and benefits	\$ -	\$ 12,212,315	\$ 5,834,172	\$ 3,071,132	\$ 21,117,619	\$ 3,617,305	\$ 9,738,959	\$ 13,356,264	\$ 34,473,883	\$ 36,011,461
Grants for emergency and medical projects (Note 15)	486,495,329	-	-	-	486,495,329	-	-	-	486,495,329	392,569,579
Printing and publications	-	13,600	5	234,217	247,822	(15,461)	13,979,190	13,963,729	14,211,551	15,358,463
Rent and occupancy costs	-	250,844	-	99,791	350,635	177,538	292,987	470,525	821,160	1,067,162
Consultancy and project development	-	21,881	65,613	50,376	137,870	4,610	17,121,832	17,126,442	17,264,312	13,803,566
Fundraising services	-	39,248	-	11,581	50,829	37,541	12,642,627	12,680,168	12,730,997	12,411,075
Office expense and management	-	(161,046)	-	(45,150)	(206,196)	97,590	(34,565)	63,025	(143,171)	415,996
Office supplies	-	1,516	67	1,189	2,772	964	4,085	5,049	7,821	51,864
Insurance - office and field	-	113,759	604,263	33,568	751,590	80,191	132,408	212,599	964,189	956,810
Postage/freight/shipping	-	12,705	7,099	185,924	205,728	7,415	15,090,699	15,098,114	15,303,842	11,468,105
Professional fees	-	799,748	(110)	87,803	887,441	485,862	6,149,589	6,635,451	7,522,892	5,723,983
Travel and transportation	-	188,510	125,869	2,504	316,883	10,107	3,238	13,345	330,228	1,000,603
Bank charges and other fees	-	38,698	2	11,560	50,260	273,467	3,550,771	3,824,238	3,874,498	3,017,870
Interest expense	-	51,419	-	15,173	66,592	37,971	59,848	97,819	164,411	180,907
Telecommunications	-	75,912	-	26,134	102,046	33,246	87,512	120,758	222,804	259,763
Dues and subscriptions	-	489,909	-	235,680	725,589	358,957	1,250,977	1,609,934	2,335,523	1,675,336
Recruiting and relocation	-	173,218	2,575	73,688	249,481	104,017	233,014	337,031	586,512	853,655
Representation/meetings	-	579	-	526	1,105	(57)	12,715	12,658	13,763	19,999
Depreciation	-	1,234,406	-	177,040	1,411,446	423,159	702,701	1,125,860	2,537,306	2,601,465
<b>Total Expenses</b>	<b>\$ 486,495,329</b>	<b>\$ 15,557,221</b>	<b>\$ 6,639,555</b>	<b>\$ 4,272,736</b>	<b>\$ 512,964,841</b>	<b>\$ 5,734,422</b>	<b>\$ 81,018,587</b>	<b>\$ 86,753,009</b>	<b>\$ 599,717,850</b>	<b>\$ 499,447,662</b>

<sup>(1)</sup> Field staff expenses include costs for U.S. residents working on assignments in MSF USA field projects overseas and will fluctuate year-to-year in response to emergency and medical needs.

*See accompanying notes to financial statements.*



**Médecins Sans Frontières USA, Inc.**  
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**Statement of Cash Flows**  
**(with comparative totals for 2020)**

<i>Year ended December 31,</i>	<b>2021</b>	<b>2020</b>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 41,554,201	\$ 59,841,317
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	2,537,306	2,601,465
Unrealized loss (gains) on investments	8,652,413	(3,766,862)
Realized gains on investments	(9,267,496)	(98,490)
Donated stock	(51,258,366)	(36,198,158)
Donated land	-	475,000
Actuarial (gain) losses on annuity and trust obligations	(860,687)	2,808,685
Actuarial liability for annuities and trusts issued	2,960,027	3,015,577
Changes in operating assets and liabilities:		
Decrease (increase) in:		
MSF USA network receivables	4,618,251	(4,387,445)
Contributions receivable	15,063,105	(9,930,181)
Pledges receivable	(148,553)	4,444,743
Prepaid expenses and other assets	2,244,330	(5,884,246)
Increase (decrease) in:		
Grants payable	32,883,675	58,954,870
Accounts payable and accrued expenses	6,929,756	813,516
MSF USA network payables	(217,935)	225,559
<b>Net Cash Provided by Operating Activities</b>	<b>55,690,027</b>	<b>72,915,350</b>
<b>Cash Flows from Investing Activities</b>		
Purchases of fixed assets	(2,271,899)	(1,284,693)
Purchases of investments	(71,850,450)	(69,272,257)
Proceeds from sale of investments	23,683,803	64,330,036
Annuity and trust payments	(3,067,354)	(2,591,540)
Loan receivable	-	(22,088,420)
<b>Net Cash Used in Investing Activities</b>	<b>(53,505,900)</b>	<b>(30,906,874)</b>
<b>Cash Flows from Financing Activities</b>		
Capital lease obligations	(18,555)	(17,523)
Principal payments on mortgage payable	(697,422)	(682,401)
<b>Net Cash Used in Financing Activities</b>	<b>(715,977)</b>	<b>(699,924)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>1,468,150</b>	<b>41,308,552</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>101,194,116</b>	<b>59,885,564</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>\$ 102,662,266</b>	<b>\$ 101,194,116</b>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Interest paid	\$ 164,411	\$ 180,907

*See accompanying notes to financial statements.*

**Médecins Sans Frontières USA, Inc.**  
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**Notes to Financial Statements**

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## **1. Description of Organization**

Médecins Sans Frontières USA, Inc., doing business as Doctors Without Borders USA, Inc. (MSF USA), was organized in New York State under Section 402 of the Not-for-Profit Corporation Law.

MSF USA is a private, not-for-profit organization devoted to assisting victims of disasters and conflicts worldwide, regardless of race, political beliefs or religion. The purposes of MSF USA are:

- To support medical-humanitarian projects, conducted primarily by the international Médecins Sans Frontières network, wherever in the world a humanitarian crisis may exist.
- To raise funds in the United States to finance these projects.
- To facilitate the recruitment of medical and other professionals from the United States to participate in these projects.
- Advocate for, and increase public awareness of, populations at risk.

## **2. Summary of Significant Accounting Policies**

### ***Basis of Presentation***

The accompanying financial statements have been prepared on the accrual basis of accounting and have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applicable to not-for-profit organizations. In the statement of financial position, assets and liabilities are presented in order of liquidity or conversation to cash and their maturity resulting in the use of cash, respectively.

### ***Net Asset Classification***

MSF USA's net assets and its support, revenue and expenses are based on the existence or absence of donor-imposed restrictions. The amounts are classified in either of the two classes of net assets defined below and displayed in the statement of financial position, and the amounts of change in each of those classes of net assets are displayed in the statement of activities.

These classes are defined as follows:

*Without Donor Restrictions* - This class consists of net assets that are not subject to donor-imposed stipulations and are, therefore, available for the general operations of MSF USA. Certain net assets without donor restriction are designated by the Board of Directors for specified purposes. Revenues are reported as increases in net assets without donor restrictions, unless their use is limited by donor-imposed restrictions. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions, unless their use is restricted by donors or by law. Expenses are reported as decreases in net assets without donor restrictions.

*With Donor Restrictions* - This class consists of net assets with donor restrictions whose use is limited by donor-imposed, time and/or purpose restrictions. MSF USA reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires—that is, when a stipulated time restriction ends, or purpose restriction is accomplished—the net assets are reclassified as net assets without

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**Notes to Financial Statements**

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donor restrictions and reported in the statement of activities as net assets released from restrictions.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature), while permitting MSF USA to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board of Director (Board)-approved spending policy.

See Note 12 for more information on the composition of net assets with donor restrictions and the release of restrictions.

***Cash and Cash Equivalents***

MSF USA considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

***Investments***

Investments are reported at fair value based upon quoted market prices. Investment return, net is reported in the statement of activities and consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses.

***Fair Value***

U.S. GAAP defines fair value, establishes a framework for measuring fair value and expands the disclosures about fair value measurements. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in a principal or most advantageous market. Fair value is a market-based measurement that is determined based on inputs, which refer broadly to assumptions that market participants use in pricing assets or liabilities. These inputs can be readily observable, market corroborated or unobservable. GAAP established a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value in three broad levels. The standard requires that assets and liabilities be classified in their entirety based on the level of input that is significant to the fair value measurement. Assessing the significance of a particular input may require judgment considering factors specific to the asset or liability and may affect the valuation of the asset or liability and their placement within the fair value hierarchy. MSF USA classifies fair value balances based on the fair value hierarchy defined by GAAP, as follows:

*Level 1* - Valuation is based on quoted market prices in active markets for identical assets or liabilities at the measurement date.

*Level 2* - Valuations are based on: (a) quoted prices for similar assets or liabilities in active markets, (b) quoted prices for identical or similar assets or liabilities in inactive markets, (c) inputs other than quoted prices that are observable for the asset or liability and (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3* - Valuation is based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value.

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**Notes to Financial Statements**

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***Investment Impairment***

At December 31, 2020, MSF USA has deemed that certain securities that were in an unrealized loss position were temporarily impaired. Positive evidence considered in reaching MSF USA's conclusion that the investments in an unrealized loss position are temporarily impaired consisted of the following:

- There were no specific events that caused concerns.
- MSF USA's ability and intent to retain the investment for a sufficient amount of time to allow an anticipated recovery in value.
- MSF USA also determined that the changes in market value were considered normal in relation to overall fluctuations in market conditions.

***Receivables***

Receivables are recorded at their net realizable values, based upon an estimated allowance for doubtful accounts. Pledges and contributions receivable due after one year are discounted to net present value using the risk-adjusted interest rate in effect on the date of the gifts.

***Provision for Doubtful Accounts***

MSF USA provides an allowance for doubtful accounts for pledges and contributions receivable that are specifically identified by management as to their uncertainty in regard to collectibility. Allowance for doubtful pledges receivable accounts was \$223,500 and \$19,850 at December 31, 2021 and 2020, respectively. There was no allowance for contributions receivable accounts for both years.

***Contributions and Promises to Give***

Contributions and promises to give are recorded as revenue when either unsolicited cash is received or when donors make a promise to give. Contributions and promises to give are classified as either without donor restrictions or with donor restrictions. Contributions are nonexchange transactions in which non commensurate value is exchanged. Therefore, contributions fall under the purview of ASC Topic 958, *Not-for-Profit Entities*.

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at present value of estimated future cash flows. Conditional promises to give are not included as support until such time as the conditions are substantially met.

***Fixed Assets***

Fixed assets are recorded at cost or, if contributed, at market value at date of contribution. Maintenance and repairs are charged to expense in the period incurred and betterments are capitalized. It is MSF USA's policy to capitalize all fixed asset purchases greater than \$5,000. Depreciation is computed using the straight-line method over the estimated useful lives. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful lives of the related assets.

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The estimated useful lives of the assets are as follows:

Asset Category	Years
Furniture, fixtures, and equipment	3-10
Leasehold improvements	9-14
Building improvements	10-39
Building	39
Intangible assets	3-5

***Impairment of Long-Lived Assets***

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 360, *Property, Plant and Equipment*, requires MSF USA to review long-lived assets, such as fixed assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. There were no impairments recognized in 2021 and 2020.

***Contributed Services***

Throughout the reported periods, legal and other miscellaneous services were donated to MSF USA. Contributions of services are recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. These services are recorded at their fair value in the period received and reflected as contributions and expenses of services in-kind in the accompanying statement of activities.

***Grants Payable***

MSF USA records grants as liabilities upon approval by the Board of Directors. Grants awarded and not paid during the fiscal year are due to be paid in the first quarter of the following fiscal period.

***Income Taxes***

MSF USA was incorporated in the state of New York and is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and, therefore, has made no provision for income taxes in the accompanying financial statements. MSF USA has been determined by the Internal Revenue Service (IRS) not be a “private foundation” within the meaning of Section 509(a) of the IRC.

Under ASC 740, *Income Taxes*, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not that the position will be sustained upon examination by a taxing authority. The implementation of ASC 740 had no impact on MSF USA’s financial statements. MSF USA does not believe it has taken any material uncertain tax positions and, accordingly, it has not recorded any liability for unrecognized tax benefits. MSF USA has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, MSF USA has filed IRS Form 990 information returns, as required, and all other applicable returns in jurisdictions where required to do so. For the years ended December 31, 2021 and 2020,

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there were no interest or penalties recorded or included in the statement of activities. MSF USA is subject to a routine audit by a taxing authority. For the years ended December 31, 2021 and 2020, MSF USA was not subject to any examination by a taxing authority.

***Use of Estimates***

In preparing financial statements in conformity with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reported period. Actual results could differ from those estimates.

***Allocation Methodology***

Common costs incurred for the administration of the various programs are allocated directly to those respective programs as incurred and/or utilizing predetermined allocation rates established by management. Common costs include the executive office and other support and general expenditures attributable to such programs. The executive office is allocated based on estimates of the relative time and efforts of such activities. Other support activities consist of information technology, human resources, and office management costs. These costs are allocated based on estimates of the relative utilization of such support activities.

***Endowment***

On September 17, 2010, New York state enacted New York Prudent Management of Institutional Funds Act (NYPMIFA). This law, which is a modified version of The Uniform Prudent Management of Institutional Funds Act (UPMIFA), makes significant changes to the rules governing how New York not-for-profit organizations may manage, invest, and spend their endowment funds. The new law is designated to allow organizations to cope more easily with fluctuations in the value of their endowment and to afford them greater access to funds needed to support their programs and services in difficult financial times. This law should provide some relief to organizations that have found themselves with underwater endowments. It also expands the options available to organizations seeking relief from donor restrictions on funds that have become obsolete, impracticable, or wasteful. NYPMIFA applies to New York not-for-profit, education and religious corporations, associations organized and operated exclusively for charitable purposes and certain trusts.

***Revocable Endowment***

Revocable endowment includes gifts that require that the total donation be invested and only the income made available for program operations. The original donation total may be due back to the donor at the end of the term. The balance as of December 31, 2021 and 2020 was \$3,250,000.

***Risks and Uncertainties***

MSF USA's investments consist of a variety of investment securities and investment funds. Investments in general are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of MSF USA's investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

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***Reclassifications***

Certain prior-year amounts have been reclassified to conform to the current-year presentation. The reclassifications have no effect on net assets or operating results of the prior year.

***Accounting Pronouncements Issued but Not Yet Adopted***

***Changes to the Disclosure Leases (Topic 842)***

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. This update, along with ASU 2018-10, *Codification Improvements to Topic 842: Leases*; ASU 2018-11, *Leases (Topic 842): Targeted Improvements* and ASU 2018-20, *Leases (Topic 842): Narrow-Scope Improvements for Lessors*, establishes a comprehensive leasing standard. These updates require the recognition of lease assets and lease liabilities on the statement of financial position and disclosure of key information about leasing arrangements for lessees and lessors. The new standard applies a right-of-use (ROU) model that requires, for leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset for the lease term and a liability to make lease payments to be recorded. The guidance also expands the required quantitative and qualitative lease disclosures, as well as provides entities with an additional (and optional) transition method to adopt the new standard. The ASU is effective for MSF USA's fiscal year beginning after December 15, 2021, with early adoption permitted. Management is currently evaluating the impact of these ASUs on their financial statements.

***Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)***

The FASB issued ASU 2020-07, the Update, to clarify the presentation and disclosure of contributed nonfinancial assets, including land, buildings, and other items. The enhanced presentation and disclosure requirements include the contributed nonfinancial assets as separately stated as an individual line item in the consolidated statement of activities, distinct from contributions of cash or other financial assets. The contributed nonfinancial assets are also disaggregated in a footnote by category that shows the type of contributed nonfinancial assets in the consolidated statement of activities. For each type of contributed nonfinancial assets recognized, a not-for-profit will disclose the not-for-profit's policy (if any) on liquidating rather than using contributed nonfinancial assets; qualitative considerations on whether the contributed nonfinancial assets were liquidated or used during the reporting period, and, if used, a description of how the asset was employed should be included; any donor-imposed restrictions related to the contributed nonfinancial assets; and the valuation methods and inputs utilized to determine a fair value. In accordance with Topic 820, Fair Value Measurement, it should be measured at initial recognition. The principal or most advantageous market is utilized to calculate fair value if it is market in which the not-for-profit is restricted by the donor from selling or utilizing the contributed nonfinancial assets. The Update does not change existing recognition and measurement requirements for contributed nonfinancial assets and is effective for annual reporting periods beginning after June 15, 2021. Early adoption of the ASU is permitted. Management is currently evaluating the impact of the pending adoption of ASU 2020-07.

***Financial Instruments - Credit Losses (Topic 326)***

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The new credit losses standard changes the

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impairment model for most financial assets and certain other instruments. For trade and other receivables, contract assets recognized as a result of applying ASC 606, loans, and certain other instruments, entities will be required to use a new forward-looking “expected loss” model that generally will result in earlier recognition of credit losses than under today’s incurred loss model. ASU 2016-13 is effective for annual periods beginning after December 31, 2021. Management is currently evaluating the impact of the pending adoption of ASU 2016-13.

***Comparative Financial Information***

The financial statements include certain prior year summarized comparative information. With respect to the statement of activities, the prior-year information is presented in total, not by net asset class. With respect to the statement of functional expenses, the prior-year expenses are presented by expense classification in total rather than functional category, in order to facilitate comparison; as a result, such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with MSF USA’s financial statements for the year ended December 31, 2020, from which the summarized information was derived.

**3. Liquidity and Availability of Resources**

MSF USA’s financial assets available within one year of the statement of financial position date for general expenditure are as follows:

<i>December 31,</i>	<b>2021</b>	<b>2020</b>
Financial assets at year-end*	\$ 411,475,753	\$ 329,500,310
Less: financial assets generally unavailable for general expenditures within one year due to:		
Contractual or donor-imposed restrictions:		
Endowments subject to appropriation and satisfaction of donor restrictions	(1,768,116)	(1,655,825)
Term and revocable quasi-endowments	(14,558,624)	(4,377,392)
Restricted by donor with time and/or purpose restrictions	(2,111,358)	(2,119,362)
Annuity and other life income agreement obligations	(19,088,601)	(20,056,615)
Board designations:		
Amounts set aside for liquidity reserve	(2,154,758)	(2,008,265)
<b>Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year</b>	<b>\$ 371,794,296</b>	<b>\$ 299,282,851</b>

\* Financial assets at year-end are defined as total assets, less non-financial assets, consisting of prepaid expenses and other assets, and fixed assets, net.

***Liquidity Management***

MSF USA is supported by unrestricted and restricted donor contributions. Because a donor’s restriction requires resources to be used in a particular manner or in a future period, MSF USA must maintain sufficient resources to meet those responsibilities to its donors. Accordingly, a portion of MSF USA’s financial assets may not be available for general expenditures within one year of the accompanying financial statement dates.



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As a result of the above, MSF USA has a liquidity and investment policy in place to insure the availability of funds to meet obligations as they become due. Financial assets not required to meet near-term obligations are invested over various time horizons to ensure liquidity, preservation of capital and the balancing of market risk and minimization of volatility. In order to meet those objectives, MSF USA has established the following financial asset pools:

- *Operating Fund* - This fund consists of funds needed to manage MSF USA's short-term cash flow needs. These funds are not invested.
- *Short-Term Fund* - This fund contains short-term financial assets with maturities up to, but not exceeding, 24 months. This fund's investment objective is to emphasize preservation of capital and liquidity with an emphasis on minimizing return volatility (rather than maximizing returns) and investing in securities that can be readily and efficiently sold.
- *Long-Term Fund* - This fund is comprised of financial assets invested over a longer-term horizon to garnish higher returns while balancing additional market risk and liquidity. The time horizon for this asset pool is two to ten years.
- *Endowments, Charitable Gift Annuities and Board-Designated Reserves* - In addition to the above-mentioned funds, MSF USA also holds a portion of its financial assets in various types of endowments (perpetual, revocable and term), charitable gift annuities and a Board-designated reserve. The composition and management of those funds are more fully described in Notes 7, 11, and 13.

#### **4. Investments and Fair Value Measurements**

MSF USA's assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with ASC 820. See Note 2 for a discussion of MSF USA's policies regarding this hierarchy. A description of the valuation techniques applied to MSF USA's major categories of assets measured at fair value are as follows:

##### ***Money Market Funds and Certificates of Deposit***

Money market deposit accounts and certificates of deposit are valued at cost plus interest, which approximates fair value.

##### ***Equities, Real Asset Funds and Exchange-Traded and Closed-End Funds***

These investments are priced using nationally recognized pricing services based on observable market data and are classified as Level 1.

##### ***Fixed Income, Government Securities and Municipal Bonds***

Fixed income and government bonds are valued at the last reported market value by the holding institution and are classified as Level 1.

MSF USA had no financial assets and liabilities that were measured at fair value on a non-recurring basis during the years ended December 31, 2021 and 2020. In addition, there were no transfers between levels during the years ended December 31, 2021 and 2020.

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The following tables show, by level within the fair value hierarchy, MSF USA's financial assets that are accounted for at fair value on a recurring basis as of December 31, 2021 and 2020. The financial assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. MSF USA's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy levels. Investments that are subjective to restrictions or Board designations are considered as long-term investments while the rest are considered as short-term investments.

***December 31, 2021***

	Level 1	Total
Money market funds	\$ 11,446,892	\$ 11,446,892
Certificates of deposit	4,833,254	4,833,254
Common stock	58,919	58,919
Equities	32,927,859	32,927,859
Mutual funds	14,017,471	14,017,471
Fixed income	160,544,420	160,544,420
Real asset funds	5,312,967	5,312,967
Municipal bonds	4,769,530	4,769,530
U.S. government obligations	3,956,524	3,956,524
Exchange-traded and closed-end funds	21,244	21,244
Government securities	4,057,397	4,057,397
	<b>\$ 241,946,477</b>	<b>\$ 241,946,477</b>

***December 31, 2020***

	Level 1	Total
Money market funds	\$ 6,550,754	\$ 6,550,754
Certificates of deposit	3,258,285	3,258,285
Common stock	27,507	27,507
Equities	24,464,328	24,464,328
Mutual funds	10,693	10,693
Fixed income	90,303,853	90,303,853
Real asset funds	2,992,689	2,992,689
Municipal bonds	6,240,755	6,240,755
U.S. government obligations	1,574,685	1,574,685
Government securities	6,482,832	6,482,832
	<b>\$ 141,906,381</b>	<b>\$ 141,906,381</b>

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**Investment Impairment**

The following tables represent the fair market value and gross unrealized losses for investments where the estimated fair value had declined and remained below cost by less than 12 months or 12 months or more:

**December 31, 2021**

	Less Than 12 Months		12 Months or More		Total	
	Fair Market Value	Unrealized Losses	Fair Market Value	Unrealized Losses	Fair Market Value	Unrealized Losses
Securities						
Mutual funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal bonds	-	-	-	-	-	-

**December 31, 2020**

	Less Than 12 Months		12 Months or More		Total	
	Fair Market Value	Unrealized Losses	Fair Market Value	Unrealized Losses	Fair Market Value	Unrealized Losses
Securities						
Mutual funds	\$ -	\$ -	\$ 58,542	\$ 2,973	\$ 58,542	\$ 2,973
Municipal bonds	-	-	997,121	29,879	997,121	29,879

**5. Contributions Receivable**

Contributions receivable represents unconditional contributions received by MSF USA as of year-end but deposited subsequent to the year-end. The contributions receivable balance was \$38,154,664 and \$53,217,769 at December 31, 2021 and 2020, respectively.

**6. Pledges Receivable, Net**

As of December 31, 2021 and 2020, MSF USA had gross pledges receivable of \$2,350,000 and \$1,985,000, respectively.

As of December 31, 2021 and 2020, the net present value of pledges receivable was calculated at 0.64% and 0.12% discount rates, respectively. These rates are equal to the risk-free interest rate, which is the U.S. Treasury note interest rate in effect at the time the contributions are made and equal in duration to the length of time over which that contribution is expected to be paid. The following represents future payments due:

<b>December 31,</b>	<b>2021</b>	<b>2020</b>
Amount due in:		
One year	\$ 945,000	\$ 1,685,000
2-5 years	1,405,000	300,000
<b>Contributions Pledged</b>	<b>2,350,000</b>	<b>1,985,000</b>
Less:		
Pledge bad debt allowance	(223,500)	(19,850)
Net present value discount	(15,142)	(2,345)
<b>Net Present Value</b>	<b>\$ 2,111,358</b>	<b>\$ 1,962,805</b>

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## 7. Charitable Gift Annuities Payable

Under the Charitable Gift Annuity agreement, donors make contributions in exchange for a promise to receive a fixed amount over a specified period of time, usually the life of the donor or beneficiary. During the term of the agreement, MSF USA acts as custodian of these funds, whereby the asset and the net present value of the related liability are reflected in the statement of financial position. After the term of the agreement, the remaining assets belong to MSF USA.

The Charitable Gift Annuity program assets are managed by an investment firm subject to MSF USA's investment policy statement. For this pool of assets, MSF USA's investment policy includes the following objectives: growth and income, a moderate risk tolerance and a three to less-than-seven years investment horizon. Asset classes may include cash equivalents, fixed income and equity investments. While infrequent, nontraditional, illiquid or non-marketable securities may be used to help provide uncorrelated returns relative to the equity and fixed-income allocations.

At December 31, 2021 and 2020, the Charitable Gift Annuity investment account, included in investments, at fair value, had a fair market value of \$44,362,127 and \$38,450,603 and the related liability amounted to \$19,088,601 and \$20,056,615, respectively. As of December 31, 2021, MSF USA had adequate reserves among its assets for its charitable gift annuity program.

The actuarial gain (loss) on annuity and trust obligations amounted \$860,687 and \$(2,808,685) for 2021 and 2020, respectively.

## 8. Fixed Assets, Net

Fixed assets, net, consist of the following:

<i>December 31,</i>	<b>2021</b>	<b>2020</b>
Land	\$ 18,878,293	\$ 18,878,293
Building	23,068,644	23,068,644
Intangible assets	8,883,835	6,704,900
Furniture, fixtures, and equipment	7,047,143	6,954,179
Building improvements	10,672,162	10,672,162
Leasehold improvements	35,247	35,247
<b>Total Fixed Assets</b>	<b>68,585,324</b>	<b>66,313,425</b>
Less: accumulated depreciation and amortization	(13,771,006)	(11,233,700)
<b>Fixed Assets, Net</b>	<b>\$ 54,814,318</b>	<b>\$ 55,079,725</b>

Total depreciation expense for 2021 and 2020 amounted to \$2,537,306 and \$2,601,465, respectively.

## 9. Pension Plans

MSF USA formerly had two 401(k) defined contribution plans covering all headquarter employees and field employees. These plans were merged effective January 1, 2014. Under the merged plan, employees may contribute the lesser of 85% of their salaries or the IRS contribution limit. In addition to the IRS contribution limit, there is a catch-up provision of an additional \$6,000 per year for all employees who have reached the age of 50 and elect to contribute the additional funds into their

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401(k) account. For all employees, MSF USA matches each contribution up to \$1,200 per year and provides a yearly safe harbor distribution of not less than 3%. Employer contributions under the merged plan vest over a two-year period. During the years ended December 31, 2021 and 2020, MSF USA contributed \$1,410,132 and \$1,628,822, respectively.

**10. Loan Receivable**

As part of Resource Sharing Agreement 4 (RSA4), MSF USA entered into a loan agreement on March 12, 2020 with Médecins Sans Frontières Logistique (MSF Logistique), where MSF USA agreed to provide a loan up to €20 million to MSF Logistique. The interest on the loan equals to the annual yield rate earned on MSF USA's short-term investments on the last day of each calendar month. Both principal and interest are payable at maturity on June 30, 2024. However, should for any reason the Boards of MSF USA and MSF Logistique agree to terminate the RSA4 arrangement, all loan principal and interest become due to MSF USA immediately. As of December 31, 2021, the total of loan principal and interest receivable is \$22,088,420.

**11. Board-Designated Fund**

The Board of Directors designated a bequest received in prior years as a reserve balance. As such, the Board of Directors has limited spending from this fund to amounts appropriated pursuant to MSF USA's spending policy (see Note 13). The balance in this reserve fund was \$2,154,758 and \$2,008,265 as of December 31, 2021 and 2020, respectively.

**12. Net Assets with Donor Restrictions**

Net assets with donor restrictions consisted of the following:

<i>December 31,</i>	<b>2021</b>	<b>2020</b>
Net assets with donor restrictions:		
Purpose-restricted for emergency and medical relief	\$ -	\$ 156,557
Perpetual in nature (inclusive of original contribution plus accumulated unappropriated earnings)	1,768,116	1,655,825
Term-restricted quasi endowments	11,308,624	1,127,392
Annuity and charitable remainder trusts	25,273,527	18,393,989
Use in future periods - net pledge receivables	2,111,358	1,962,805
<b>Total</b>	<b>\$ 40,461,625</b>	<b>\$ 23,296,568</b>

Net assets without donor restrictions consisted of the following:

<i>December 31,</i>	<b>2021</b>	<b>2020</b>
Net assets without donor restrictions:		
Undesignated	\$ 281,750,173	\$ 257,507,522
Board-designated for reserves	2,154,758	2,008,265
<b>Total</b>	<b>\$ 283,904,931</b>	<b>\$ 259,515,787</b>

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Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors:

<i>December 31,</i>	2021	2020
Purpose restrictions accomplished:		
Emergency and medical relief	\$ 27,203,323	\$ 42,455,690
Time restrictions expired:		
Passage of specified time	1,545,000	5,805,825
Release of appropriated endowment	310,396	-
Adjustment of annuity beneficiary obligations	-	(888,001)
<b>Total Restrictions Released</b>	<b>\$ 29,058,719</b>	<b>\$ 47,373,514</b>

### 13. Endowment Fund

MSF USA's endowment fund consists of both donor-restricted endowment funds and unrestricted funds designated by the Board of Directors to function as endowments. Under ASC 958-205, the following applies to the endowment funds:

*Investment and Spending Policies* - MSF USA has adopted investment and spending policies for endowment assets that attempt to provide a stream of returns that would be utilized to fund various programs, while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that MSF USA must hold in perpetuity, and as directed by the donors, and those unrestricted assets that are Board-designated, as approved by the Board of Directors of MSF USA. The endowment funds are invested in vehicles, such as money market funds, equities, fixed income, real estate, and tangible assets.

MSF USA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the funds.
- The purposes of MSF USA and the donor-restricted endowment funds.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation/depreciation of investments.
- Other resources of MSF USA.
- The investment and spending policies of MSF USA.

MSF USA has adopted a spending policy of 2% to 4% per year of a 20-quarter rolling average. The amount of the annual draw is reviewed and approved annually by the Board of Directors. MSF USA appropriated \$46,445 and \$21,123 of the endowment funds in 2021 and 2020, respectively.

From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or state standards require MSF USA to retain as a fund of perpetual duration. At December 31, 2021 and 2020, no donor-restricted endowment funds have fallen below the required level.

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The following table represents the endowment net asset composition by type of fund:

*December 31, 2021*

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donors	\$ -	\$ 1,457,216	\$ 1,457,216
Board-designated endowment funds	1,115,784	-	1,115,784
<b>Total Corpus of the Endowment Funds</b>	<b>1,115,784</b>	<b>1,457,216</b>	<b>2,573,000</b>
Cumulative net investment gains	1,179,977	584,402	1,764,379
Cumulative release of income into operations	(141,003)	(273,502)	(414,505)
<b>Total Spendable Funds</b>	<b>1,038,974</b>	<b>310,900</b>	<b>1,349,874</b>
<b>Total Endowment Net Assets</b>	<b>\$ 2,154,758</b>	<b>\$ 1,768,116</b>	<b>\$ 3,922,874</b>

*December 31, 2020*

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donors	\$ -	\$ 1,457,216	\$ 1,457,216
Board-designated endowment funds	1,115,784	-	1,115,784
<b>Total Corpus of the Endowment Funds</b>	<b>1,115,784</b>	<b>1,457,216</b>	<b>2,573,000</b>
Cumulative net investment gains	987,039	472,111	1,459,150
Cumulative release of income into operations	(94,558)	(273,502)	(368,060)
<b>Total Spendable Funds</b>	<b>892,481</b>	<b>198,609</b>	<b>1,091,090</b>
<b>Total Endowment Net Assets</b>	<b>\$ 2,008,265</b>	<b>\$ 1,655,825</b>	<b>\$ 3,664,090</b>

MSF USA classifies the original value of gifts received with donor stipulations that require them to be held in perpetuity as restricted net assets. Income earned on such gifts is also classified as restricted and is later appropriated based on the implementation of the above described spending policy.

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The following table represents the reconciliation of changes in endowment net assets:

*Year ended December 31,*

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Endowment Net Assets,</b>						
beginning of year	\$ 2,008,265	\$ 1,655,825	\$ 3,664,090	\$ 1,790,911	\$ 1,466,581	\$ 3,257,492
Investment return	192,938	112,291	305,229	238,477	189,244	427,721
Endowment income designated for current operations	(46,445)	-	(46,445)	(21,123)	-	(21,123)
<b>Endowment Net Assets, end of year</b>	<b>\$ 2,154,758</b>	<b>\$ 1,768,116</b>	<b>\$ 3,922,874</b>	<b>\$ 2,008,265</b>	<b>\$ 1,655,825</b>	<b>\$ 3,664,090</b>

#### 14. Mortgage Payable

On October 7, 2016, MSF USA entered into a mortgage held by the Bank of America in the amount of \$11,165,232 to finance part of the purchase price of building space. Interest on the loan accrues at 2% per annum. Both principal and interest are payable monthly in accordance with the mortgage amortization schedule up to maturity on September 30, 2026. The building space complex is pledged as collateral for the mortgage. Interest expense amounted to \$162,686 for 2021 and \$178,140 for 2020.

Balance of mortgage payable was \$7,658,987 and \$8,356,409 at December 31, 2021 and 2020, respectively.

The future required minimum payments are as follows:

*Year ending December 31,*

2022	\$ 710,593
2023	725,694
2024	740,199
2025	755,697
2026	4,726,804
	<b>\$ 7,658,987</b>

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**Notes to Financial Statements**

**15. Grants**

During the years ended December 31, 2021 and 2020, MSF USA awarded grants for emergency and medical relief projects to Médecins Sans Frontières' international members for overseas operations and to the Drugs for Neglected Diseases Initiative, a not-for-profit organization, of which MSF USA is a founding member, as follows:

<i>Year ended December 31,</i>	<b>2021</b>	<b>2020</b>
Afghanistan	\$ 9,780,556	\$ 11,845,861
Angola	361,494	-
Armenia	273,563	-
Bangladesh	14,373,667	10,144,290
Belgium	674,413	2,919,318
Bolivia	-	361,111
Brazil	1,968,658	788,588
Burkina Faso	15,990,805	10,056,500
Burundi	5,333,333	333,333
Cambodia	50,000	50,000
Cameroon	10,523,086	2,071,870
Central African Republic	46,009,455	35,901,958
Chad	10,225,096	7,450,394
Colombia	47,250	177,975
Democratic Republic of the Congo (DRC)	45,557,184	50,967,718
Ecuador	-	377,778
Egypt	-	11,111
El Salvador	1,600,463	1,550,000
Eswatini	840,230	453,000
Ethiopia	10,266,667	1,430,957
France	3,500,000	4,522,500
Greece	2,311,494	2,407,223
Guatemala	293,103	220,000
Guinea	8,022,622	7,222,222
Guinea-Bissau	-	1,000,000
Haiti	22,507,906	15,807,739
Honduras	986,782	1,390,000
Hong-Kong	-	24,555
India	3,740,903	3,787,079
Indonesia	-	15,206
Iraq	12,226,533	12,489,701
Italy	-	108,705
Ivory Coast	5,870,778	-
Jordan	10,773,946	12,016,190
Kenya	9,397,510	9,517,777
Kyrgyzstan	195,402	579,000
Lebanon	4,174,388	5,232,222
Liberia	6,500,000	5,000,000
Libya	8,200,000	3,508,537
Madagascar	1,800,000	-
Malawi	5,000,000	4,300,000
Malaysia	-	495,028
Mali	17,897,222	11,850,000
Mexico	2,857,184	1,847,966
Mozambique	261,282	1,332,223

**Médecins Sans Frontières USA, Inc.**  
**d/b/a Doctors Without Borders USA, Inc.**

**Notes to Financial Statements**

<i>Year ended December 31,</i>	<b>2021</b>	<b>2020</b>
Myanmar	\$ 4,339,464	\$ 3,405,795
Nepal	293,103	-
Niger	20,256,468	11,075,001
Nigeria	21,226,253	16,598,988
North Korea	537,356	240,000
Pakistan	8,466,667	5,526,851
Palestinian Territories	9,547,222	5,309,444
Peru	850,000	-
Philippines	900,000	46,346
Sierra Leone	7,424,167	3,675,729
Somalia	2,821,456	7,104,833
South Africa	273,817	513,891
South Sudan	33,548,506	29,989,762
Spain	-	135,949
Sudan	6,671,533	2,963,000
Syria	6,415,556	9,383,345
Tanzania	2,344,828	730,000
Uganda	4,879,310	3,320,000
Ukraine	1,465,517	3,760,000
USA	182,784	2,227,395
Uzbekistan	555,556	1,023,565
Venezuela	4,705,556	4,340,130
Yemen	37,707,551	29,344,085
MSF International	7,725,767	7,730,089
Access Campaign	1,617,816	1,249,190
Drugs for Neglected Diseases Initiative	1,235,601	1,121,487
MSF Shared IT Services	-	40,100
Epicentre	-	15,000
Transformation Investment Capacity:		
People Respect and Value	-	133,969
Other	110,500	-
<b>Total Grants</b>	<b>\$ 486,495,329</b>	<b>\$ 392,569,579</b>

Grants payable were \$97,376,584 and \$64,492,909 at December 31, 2021 and 2020, respectively.

## 16. Concentration of Credit Risk

The financial instruments that potentially subject MSF USA to concentration of credit risk consist primarily of cash and cash equivalents. At various times, MSF USA has cash deposits at financial institutions that exceed the Federal Deposit Insurance Corporation (FDIC) limit.

## 17. Subsequent Events

MSF USA evaluated events subsequent to December 31, 2021 through May 16, 2022, the date on which the financial statements were available to be issued. There were no subsequent events requiring adjustment to the financial statements or disclosures stated herein.