

**Trustees' Report for the year ended 31<sup>st</sup> December 2019**

Company limited by guarantee, UK Registered Charity number 1140288

**The Fred Hollows Foundation (UK)**

Company number: 7193829  
UK Registered Charity number: 1140288

THE FRED HOLLOWES FOUNDATION (UK)  
(A charitable company limited by guarantee)

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Report and Financial Statements

Year ended 31<sup>st</sup> December 2019

**Legal and administrative information**

**Board of Trustees**

S Bell (**Chair**)

J Dunstan

R Wormald

**Senior Executive**

V Sarah, Global Partnerships Executive (GPE),  
who is charged with the executive management of FHF(UK) during 2018.  
D Deiley is charged with executive management from April 2019

**Registered Office**

New Broad Street House,  
35 New Broad St,  
London,  
EC2M 1NH  
+44 (0)20 7194 8410

**Auditors**

Ernst and Young LLP  
1 More London Place  
London, SE1 2AF

**Bankers**

Royal Bank of Scotland  
15 Foregate Street  
Chester, CH1 1HD

**Company number**

7193829

**UK registered charity number**

1140288

**Website**

<https://www.hollows.org/uk/>

**REPORT AND FINANCIAL STATEMENTS**

For the year ended 31<sup>st</sup> December 2019

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## **Chairman's report**

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The Fred Hollows Foundation (UK) continues to make real progress towards our goal of ending avoidable blindness, celebrating over 20 years of operation in the UK. The occasion was marked by a morning tea attended by all London based staff and Ian Wishart during his visit to the UK. Many other achievements and organisational developments are outlined within the pages of this report.

Ian Wishart, appointed CEO in March 2018, held a formal launch of the 2019 - 2023 Strategic Plan in March 2019. Following a visit by Ian in July 2018, Daryn Deiley, COO, met with the UK Trustees on in March 2019 to discuss the Strategic Plan and engagement between the Australian and UK boards.

In December 2019, FHF(UK) was represented at The Foundations first International Entities & Associates meeting in Sydney. The meeting was attended also by representatives from the other Entities (HK, USA, Kenya), Associated Agencies (FHFNZ, India Vision Institute), Associated Hospitals (Tilganga Institute of Ophthalmology, Pacific Eye Institute, Alina Vision), Medical Teams, Executive Leadership Team and The Foundation's Board. The new strategy recognises that The Foundation operates in a complex network of offices, entities, and associated agencies and hospitals globally. The meeting was a first step to helping the network collaborate and work together to achieve the strategic objectives.

The Trustees, who are also directors of the charitable company for the purposes of the Companies Act, are proud to present this annual report and the audited financial statements of the organisation for the year ended 31st December 2019. These accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

### **Governing document**

The Fred Hollows Foundation (UK) is a registered charity (No. 1140288) and a not for profit company limited by guarantee (No. 7193829). The organisation is governed by its Articles of Association and Corporate Governance Charter (copies of which are available at the registered office) and a voluntary Board of Trustees.

### **Public Benefit Statement**

The Fred Hollows Foundation (UK) develops its strategic plans to ensure that the organisation provides public benefit and achieves our aim of ending avoidable blindness. We do this by building support for the provision of universal access to high quality, affordable comprehensive eye care services.

Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing The Fred Hollows Foundation (UK)'s aims and objectives and in planning activities and setting policies for the year ahead.

On behalf of the Board of Trustees of The Fred Hollows Foundation (UK).

S. Bell, Chair



Date: 11 November 2020

## **Objectives**

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### **Background**

The Fred Hollows Foundation (UK) works to eliminate avoidable blindness in developing countries. Inspired by the work and example of the late ophthalmologist Professor Fred Hollows; the organisation was established in the UK in 1998 with a vision of a world where no one is needlessly blind.

The Fred Hollows Foundation (UK) is an independent and secular professional development organisation that aims to promote and preserve good health of the public anywhere in the world, with particular focus on eye care in developing countries. We do this broadly by

- a) Planning, managing and funding surgical and associated training programmes concerned with ocular surgery;
- b) Facilitating the delivery of comprehensive and quality eye care and the production of equipment and/or consumables required for best practice eye care;
- c) Fostering, promoting, assisting and conducting research into eye care, medicine and other matters relating to the health and well-being of individuals in developing countries, and disseminating the useful results thereof.

The critical risk facing the organisation relates to meeting the objectives of the donors through the implementation of high quality and sustainable programmes. Management undertakes regular reviews with the implementing countries and uses the global framework approach to ensure all monitoring and evaluation protocols are followed to mitigate potential issues from both a financial and non-financial perspective.

The organisation also optimises its impact through strategic partnerships and investment in seminal global initiatives which have a far wider impact beyond those where The Fred Hollows Foundation (UK) has a direct geographic footprint.

The way we undertake this work more specifically is outlined in the objectives below.

### **Objectives**

The objectives are more specifically defined as:

- 1.1 The advancement of health;
- 1.2 The advancement of education;
- 1.3 The prevention or relief of poverty and the relief of those in need because of ill-health, disability or other disadvantage with a focus on the prevention and/or cure of blindness or vision loss.

### **Key achievements in 2019**

The Fred Hollows Foundation (UK) works within a global network of Fred Hollows entities domiciled elsewhere, including in Australia, Hong Kong, Kenya, United Arab Emirates, and United States of America which report results and achievements globally, and New Zealand.

In 2019, the following results were achieved globally:

- 646,835 eye operations and treatments were performed;
- Over 20 million people received antibiotic treatment for trachoma;
- 68,293 people trained, including surgeons, nurses, community health workers and teachers;
- 24 medical facilities were constructed or renovated;
- 4,677 medical facilities, training centres and schools equipped, and
- Over 2.3 million school children and community members were educated in eye health and sanitation.

## **Achievements, Performance and Development**

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2019 was a very special year for The Fred Hollows Foundation (UK) – it marked over 20 years of local operations and we welcomed a new global strategy outlining our ambitions and priorities to achieve our objectives through to 2023.

We are determined to deliver Fred Hollows' vision of preventing blindness and restoring sight. We work to ensure that our efforts increase the global reach of The Foundation's 2019-2023 Strategy and that we build Fred Hollows' legacy of breaking down the barriers to quality and affordable eye care for all. We use our geographic location to amplify The Foundation's ability to deliver impact and drive success.

During 2019;

- Trustees and staff explored our unique contributions to The Foundation's global strategy and agreed a focus on (i) embedding leading practices in disease management, inclusion, health systems financing, and operational compliance from the UK and Europe; (ii) amplifying our advocacy framework and positively positioning The Foundation with new and existing audiences/stakeholders, and (iii) forging strategic (public and private) partnerships and securing institutional funding which achieve our vision and purpose.
- Signed in July 2018, the MoU between Sightsavers and The Foundation was a shared commitment to improving the sight, health and lives of the world's most poor and marginalised people. In 2019 the organisations agreed a joint WorkPlan with streams on Advocacy, Programs, Research, Medical and collaboration on governance and compliance. One of the most exciting outputs was the four-way proposal (FHF, Sightsavers, Orbis and CBM) to the US based MacArthur Foundation '100 & Change' fund (it was announced in early 2020 that this collaboration has made the top 100 applications).
- In November 2019 The Foundation joined a global advocacy campaign called 'Deliver for Good'. This Campaign applies a gender lens to the Sustainable Development Goals (SDGs) and calls for better policies, programming, and investments in girls and women. The Campaign is supported by a broad-based coalition of more than 400 partner organisations and individuals globally. It aims to break down traditional development silos by connecting stakeholders working across multiple sectors, issue areas and generations.
- In September 2019, The Foundation joined the NCD Alliance to leverage opportunities for action around Universal Health Coverage, with an emphasis on building health systems towards integrated, people-centred care, addressing multi-morbidities, social determinants of health and care to vulnerable populations.
- We continued to strengthen our partnerships and practice development for the elimination of trachoma with key stakeholders: the International Coalition for Trachoma Control (ICTC), the Neglected Tropical Disease Non-Government Organisation Network (NNG), International Trachoma Initiative (ITI), the London School of Hygiene and Tropical Medicine (LSHTM), the London Centre for NTD Research (LCNTDR), and the UK Coalition Against NTDs (UKCNTDs).
- We provided technical support to national trachoma elimination programmes in Afghanistan, Australia, Eritrea, Ethiopia, Fiji, Kenya, Kiribati, Pakistan, Solomon Islands, Vanuatu and Vietnam and to regional programs in Africa, the Eastern Mediterranean and the Americas; and technical and management support to Foundation teams and local partners in 25 countries to strengthen health systems for comprehensive eye care.
- We coordinated a consortium of stakeholders including CBM, Sightsavers and WaterAid to implement the Government of Pakistan's national trachoma elimination program with funding support from UK DFID.
- We explored new funding relationships with local trusts and foundations, INGOs and private international development firms to support emerging gender, education and non-communicable disease initiatives and strengthened in-country capacity for fundraising in Kenya.
- Several new or relocated positions commenced including Head of Sector Engagement.

## **Fundraising Report**

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The Fred Hollows Foundation (UK) raises funds from a range of audiences including Trusts and Foundations, Corporate partners and individuals. The focus of fundraising during 2019 was large institutional donor funding for multiyear programming, achieving our first direct DFID grant through UK Aid Direct. Primarily the focus on disease area has been trachoma programming to reach through most marginalized and ensure full SAFE (Surgery for trichiasis (inturned eyelashes), Antibiotics, Facial cleanliness and Environmental improvement) implementation. This year has focused on upscaling the trachoma programming in Pakistan due to the receipt of this first UK Aid Direct grant.

Below are our key donors from 2019, listed alphabetically:

### **DFID – The UK Department for International Development**

In 2019, DFID contributed a total of £1,969,056 (2018: £1,280,106) to The Fred Hollows Foundation (UK). £1,329,140 (2018: £1,132,766) to SAFE implementation activities in Ethiopia and Pacific and £639,916 (2018: £147,340) to the Pakistan Trachoma Elimination project.

### **The Fred Hollows Foundation in Australia**

For its role as a representative office of the global 'Fred Hollows' network, the organisation receives financial support for its operations. This involves the reimbursement of office operating expenses inclusive of salaries for employees, overseas and domestic travel, resource mobilisation initiatives and Trustee meeting expenses. These arrangements will be in place for the foreseeable future and will include premise rent in 2020. In 2019 The Fred Hollows Foundation in Australia reimbursed expenses totalling £452,445 (2018: £479,773) to The Fred Hollows Foundation (UK). Amounts receivable at the year end from The Fred Hollows Foundation in Australia was £825,414 (2018: £327,192).

### **The Queen Elizabeth Diamond Jubilee Trust in the UK**

The Queen Elizabeth Diamond Jubilee Trust is a charitable foundation established to celebrate the Diamond Jubilee of Her Majesty The Queen and commemorate her lasting legacy. Their mission is to enrich the lives of all people within the Commonwealth by working with partners to tackle avoidable blindness and empower a new generation of young leaders. The Trust's Trachoma Initiative is tackling blinding trachoma in 10 countries in three regions. In 2019, The Queen Elizabeth Diamond Jubilee Trust contributed £1,284,834 (2018: £1,964,591) to The Fred Hollows Foundation (UK) for trachoma programming activities in Kenya and The Pacific and the diabetic retinopathy work in The Pacific, Bangladesh and Pakistan.

### **The Rose Foundation in the UK**

The Rose Foundation is a grant giving organisation which has committed to supporting the infrastructure and overheads of The Fred Hollows Foundation (UK) until March 2020. The expenses covered by The Rose Foundation include the rent for the offices at Crawford Mews in London and all other associated maintenance and overheads. In 2019, The Rose Foundation contributed £75,000 (2018: £61,500) to The Fred Hollows Foundation (UK).



## Financial Review

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In 2019 The Fred Hollows Foundation (UK) had total income of £4,057,022 (2018 £4,381,072), comprising support listed by the value of contribution in 2019:

- The Queen Elizabeth Diamond Jubilee Trust £1,284,834 (2018: £1,964,591).
- DFID – The UK Department for International Development £1,969,056 (2018: £1,280,106).
- The Fred Hollows Foundation in Australia £452,445 (2018: £479,773).
- The Rose Foundation £75,000 (2018: £61,500).
- Other donations from individuals, trusts and foundations £275,687 (2018: £595,102).

In 2019, The Fred Hollows Foundation (UK) incurred total expenditure of £4,021,158 (2018: £4,355,848) producing an overall surplus of £35,864 (2018: £25,224).

Total fund balances increased to £246,069 at the end of the year (2018: £210,205). Unrestricted reserves were higher than last year at £212,044 (2018: £193,618) based on the funding model used. Restricted fund balances were £34,025 (2018: £16,587).

## Future prospects

During 2020, the organisation anticipates the following developments:

### Programmatic

- Continuing to extend development partnerships, resource mobilisation and advocacy work in pursuit of its objectives and goals.
- Working with partners to disseminate two new WHO policy frameworks: the *World Report on Vision* (launched in 2019) and the *NTD Roadmap* (anticipated for release in 2020) to local and global audiences.
- Advocating for funding and capacity gaps in the WHO GET2020 global trachoma program and focussing on MDA safety, WASH, and cross sector collaborations.
- Working to position The Foundation as a potential recipient of NCDs, Gender and Education funding through established consortia.
- While some charitable activities have continued in the Pacific, the COVID-19 pandemic has disrupted our work, especially in Kenya, Pakistan and Kenya, since mid-March.
- Trachoma Elimination work which requires close contact between health workers and beneficiaries is not currently possible. Despite the interruption, management is confident that activities will be able to resume as soon as it is safe and responsible to do so.

### Organisational

- Development of the new collaboration agreement between FHF(UK) and The Fred Hollow Foundation in Australia.
- Meet new compliance requirements set by the Department For International Development.
- Office relocation to serviced office in New Broad street on the 11<sup>th</sup> March 2020.
- IPOS, The Foundation's global procurement and invoice management system roll out to FHF(UK)

### **Going concern**

Following 31 December 2019, COVID-19 was declared a pandemic and governments worldwide implemented initiatives to control the spread of the virus. While the full repercussions of these are not yet known, there is the potential of consequential impacts on the assets, liabilities and results of the charity subsequent to 31 December 2019. Management anticipates revenue reductions and the corresponding need to reduce operating expenditure. Where possible, savings will be sought from activities that do not directly impact our work to bring an end to avoidable blindness or generate future revenue for The Foundation.

The financial statements have been prepared on the going concern basis. The Fred Hollows Foundation in Australia has given the necessary assurances that sufficient resources will be made available such that the charity can meet its liabilities as and when they fall due, and for at least the twelve months from the date of approval of these financial statements.

### **Reserves policy**

The organisation's policy concerning reserves is to have funds available to meet liabilities as they fall due and meet any emergencies or financial difficulties. As part of the global 'Fred Hollows' network, the amount of reserves needed are guaranteed by The Fred Hollows Foundation in Australia. The UK Trustees' free reserves target is to meet contractual and legal liabilities and ethical obligations.

The current unrestricted funds are £212,044 (2018: £193,618). Reserves are within the policy range at the end of 2019.

## **How we manage our Affairs**

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### **Governance and internal control**

The Board of Trustees of The Fred Hollows Foundation (UK) is responsible for the governance of the local entity. The Board has provision to meet up to four times a year to review performance and to agree plans relating to the organisation's financial, operational, developmental activities. In 2019, Trustees had two formal meeting and six informal events, activities and briefings.

A strategic framework establishes our developmental and partnership focused priorities and a corporate governance charter sets out the principles and practices that Trustees uphold and implement to fulfil the public trust vested in them to protect Professor Fred Hollows' legacy and achieve his vision for a world without blindness.

Trustees look to senior staff for high quality, well informed advice upon which to base to inform discussions and decisions about the organisation's objectives, plans and strategies. The day to day running of the organisation had been delegated to the senior staff member, the Global Partnerships Executive (GPE), however this was updated with the appointment of a formal Company Secretary in April 2019, Daryn Deiley. Mr Deiley acts as the local Company Secretary and is the senior member charged with management of The Fred Hollows Foundation (UK).

### **Appointment of trustees**

#### **The appointment of trustees and advisors**

The appointment of new Trustees and advisors is the collective responsibility of the existing Board of Trustees. New Trustees who can help meet the strategic ambition of The Fred Hollows Foundation (UK) and provide an appropriate mix of expertise and experience are appointed. The maximum continuous, uninterrupted period for which a director can hold the office of director is two 3 year terms. Up to nine trustees can serve on the Board at any one time.

The Board of Trustees terms will be determined in line with the Articles of Association, with terms commencing with the new Articles as finalised in 2018.

There are no new appointments in the year ending 31st December 2019, or up until the signing of the accounts.

### **Trustee induction**

Induction of new Trustees is performed by the Chair and Company Secretary. Trustees are presented with The Fred Hollows Foundation (UK) Orientation Pack for Board Members containing a strategy, governing document, legal responsibilities, corporate governance charter, minutes of previous Board meetings, conflict of interest policy, safeguarding policy and programmatic goals and activities. New Trustees are also presented with a copy of the National Council for Voluntary Organisation's (NCVO) Good Trustee Guide. The induction concludes with a meeting with staff to further discuss the organisation's global objectives, goals and strategies.

No new Trustees were inducted in the year ended 31st December 2019 or up until the signing of the accounts.

### **Organisational development**

Since 2012, the organisation has operated as a representative office of the global 'Fred Hollows' network. It coordinates and leads a range of advocacy, programming, partnership, and resource mobilisation activities aligned with the organisation's strategy and relevant sectoral strategies and industry codes. The strategic objectives of the organisation remain the same.

The existing operational funding support from the Rose Foundation was in place through a lease until 11<sup>th</sup> March 2020. This generous support has allowed The Fred Hollows Foundation (UK) to maintain its premises in Central London for the duration of 2019. Notice was provided to The Rose Foundation to terminate the lease on the 11<sup>th</sup> October 2019. On the 11<sup>th</sup> March 2020 the London office operations moved to a serviced office in New Broad Street, London. The increased operational costs will be reimbursed by The Fred Hollows Foundation in Australia.

The Fred Hollows Foundation (UK) hosts two positions, project coordination position and communications position for the International Coalition for Trachoma Control (ICTC).

During 2019, there were six additional staff members, four staff members resigned. The total number of full-time organisational employees is nine, including The Foundations Medical Director who splits his time between countries as required. The number of hosted positions is two.

## **Related party**

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### **Affiliated interests**

The Fred Hollows Foundation was established in Sydney, Australia, in 1992 by the late Professor Fred Hollows, a renowned ophthalmologist and humanitarian. Since then, The Foundation has established a worldwide reputation for strengthening health systems to develop comprehensive, high quality and affordable eye care systems in the developing world. Related entities in Australia, the United Kingdom, Kenya and most recently Hong Kong, United Arab Emirates and the United States of America, form an international 'Fred Hollows' network to achieve shared development objectives. The Fred Hollows Foundation (UK) acts as a local representative office of that global network which is headquartered in Australia and named The Fred Hollows Foundation.

The Fred Hollows Foundation in Australia is a key funding and project partner and the sole member of the UK charitable company. The Foundation is committed to supporting the ongoing development of the local representative office of the global network.

The Fred Hollows Foundation (UK) is an active:

- Member of the Neglected Tropical Disease NGO Network, which promotes effective NGO collaboration for a world without NTDs.
- Stakeholder of the WHO Alliance for the Global Elimination of Trachoma by the year 2020 (GET2020), which promotes collaboration between stakeholders supporting a world free of trachoma
- Stakeholder of the Uniting to Combat NTDs Partnership, which supports the WHO NTD Roadmap
- Member of the International Coalition for Trachoma Control (ICTC), which supports GET2020 objectives and priorities.
- Member of the UK Coalition Against NTDs, which is a collaborative partnership between UK organisations actively engaged in NTD research and implementation of sustainable NTD control programmes.
- Member of BOND, the UK development network, which promotes, supports and represents the work and interests of UK international development organisations through influence, training and networks.

The organisation's programmatic activities and objectives are aligned to both WHO's Global Plan of Action for Access to Universal Eye Health and the WHO SAFE (Surgery, Antibiotics, Facial Cleanliness and Environmental Improvement) treatment strategy for the elimination of trachoma as a public health problem; ensuring shared objectives and coordinated global activities to eliminate avoidable blindness.

The organisation also partners with Sightsavers through a strategic organisational partnership to leverage collective resources and work collaboratively across eye health and the broader global health agenda.

### **Pay policy for senior staff**

The Trustees and the Company Secretary comprise the key management of the charity in charge of controlling and operating The Foundation on a day to day basis. All Trustees give of their time freely and no fees are paid to them. Staff salaries are regularly reviewed relative to benchmarks set by charities of a similar size and nature.

### **Risk management**

Trustees are responsible for ensuring that the major risks facing the organisation are appropriately managed. Trustees, together with senior staff, identify and review risks and where appropriate develop policies, strategies or approaches to mitigate and manage risk. The risks and the systems and procedures implemented to deal with them are reviewed regularly.

### **Auditors**

So far as each person who was a Trustee at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Trustees and the organisation's auditor, each Trustee has taken all the steps that they are obliged to take as a Trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

A resolution to appoint auditors will be put to the member (The Fred Hollows Foundation in Australia) of the charity after completion of the annual audit.

Registered office:  
New Broad Street House  
35 New Broad St  
London  
EC2M 1NH

Signed on behalf of the Trustees



Trustee: Stephen Bell (Chair)

Date: 11 November 2020

## **Statement of Trustees' Responsibilities**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure of the charitable company for that period.

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

- select suitable accounting policies and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent, and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities Act 2011. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Charitable company audited under the Companies Act 2006**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF The Fred Hollows Foundation (UK)**

**Opinion**

We have audited the financial statements of The Fred Hollows Foundation UK for the year ended 31<sup>st</sup> December 2019, which comprise the statement of financial activities, the balance sheet and the related notes 1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> December 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ▶ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ▶ have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

**Emphasis of matter – effects of COVID-19**

We draw attention to Note 1.2 and 22 of the financial statements, described the financial and operation disruptions the company is facing as a result of COVID-19. Our opinion is not modified in respect of this matter.

**Conclusions relating to going concern**

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

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

**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

**Independent Auditors Report to the member of The Fred Hollows Foundation (UK) for the year ended 31st  
December 2019**

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Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matter prescribed by the Companies Act 2006**

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

- ▶ the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ▶ The strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements

**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have identified no material misstatements in the Chairmans' report included within the trustees' report.

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

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

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



## **Independent Auditors Report to the member of The Fred Hollows Foundation (UK) for the year ended 31st December 2019**

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In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the charitable company or to cease operations, or has no realistic alternative but to do so.

### **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 a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

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



**Stuart Darrington (Senior statutory auditor)**  
**for and on behalf of Ernst & Young LLP, Statutory Auditor**  
**London**

**Date:** 12 November 2020

### **Notes:**

1. The maintenance and integrity of the <http://unitedkingdom.hollows.org> web site is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure account)**  
**For the year ended 31<sup>st</sup> December 2019**

	NOTE	Unrestricted Funds £	Restricted Funds £	TOTAL 2019 £	TOTAL 2018 £
<b>INCOME FROM:</b>					
Donations and Intercompany support		500,287	-	500,287	488,583
Charitable activities		-	3,576,119	3,576,119	3,893,153
Other income		(19,384)	-	(19,384)	(664)
<b>TOTAL INCOME</b>	3	<b>480,903</b>	<b>3,576,119</b>	<b>4,057,022</b>	<b>4,381,072</b>
<b>EXPENDITURE ON:</b>					
Raising funds	4	126,588	6,413	133,001	135,641
Charitable activities	5	335,890	3,552,267	3,888,157	4,220,207
<b>TOTAL EXPENDITURE</b>		<b>462,478</b>	<b>3,558,680</b>	<b>4,021,158</b>	<b>4,355,848</b>
<b>NET INCOME/ (EXPENDITURE)</b>		18,425	17,439	35,864	25,224
Total opening funds		193,618	16,587	210,205	184,981
<b>TOTAL CLOSING FUNDS</b>		<b>212,043</b>	<b>34,026</b>	<b>246,069</b>	<b>210,205</b>

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**BALANCE SHEET**At 31<sup>st</sup> December 2019

	NOTE	TOTAL 2019 £	TOTAL 2018 £
<b>Fixed Assets</b>			
Tangible assets	11	2,956	6,949
		<u>2,956</u>	<u>6,949</u>
<b>Current Assets</b>			
Debtors	13	1,243,574	499,411
Cash at the bank and in hand		343,646	175,655
		<u>1,587,220</u>	<u>675,066</u>
<b>Creditors: Amounts falling due within one year</b>	14	(1,329,859)	(467,082)
<b>Net current assets</b>		<u>257,361</u>	<u>207,984</u>
<b>Total assets less current liabilities</b>		<u>260,317</u>	<u>214,933</u>
Provisions for liabilities and charges	15	(14,248)	(4,728)
<b>TOTAL NET ASSETS</b>		<u><u>246,069</u></u>	<u><u>210,205</u></u>
<b>THE FUNDS OF THE CHARITY:</b>			
Restricted funds	17	34,025	16,587
Unrestricted funds: General funds		212,044	193,618
<b>TOTAL FUNDS</b>		<u><u>246,069</u></u>	<u><u>210,205</u></u>

These financial statements are prepared in accordance with the Companies Acts 2006.

These financial statements were approved by the Board of Trustees on 11 November 2020 and signed on its behalf by:

*Stephen Bell*

.....

Trustee: Stephen Bell, Chair

Date: 11 November 2020

The notes on pages 20 to 31 form part of these financial statements

**Company registration no: 7193829**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31<sup>st</sup> December 2019**

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**1. Accounting policies**

**Charity information**

The Fred Hollows Foundation (UK) is a private company limited by guarantee incorporated in England and Wales. The registered office is New Broad Street House, 35 New Broad St, London, EC2M 1NH. The charitable company is a Public Benefit Entity as defined by FRS102.

**1.1. Accounting convention**

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the charities (Accounts and Reports) regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version which is referred to in the regulations which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value if required. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 December 2019 are the fifth accounts of The Fred Hollows Foundation (UK) prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland..

As permitted by FRS 102, the company has taken advantage of the disclosure exemptions available under that standard in relation to the presentation of a cash-flow statement.

**1.2. Going concern**

Following 31 December 2019, COVID-19 was declared a pandemic and governments worldwide implemented initiatives to control the spread of the virus. While the full repercussions of these are not yet known, there is the potential of consequential impacts on the assets, liabilities and results of the charity subsequent to 31 December 2019. Management anticipates revenue reductions and the corresponding need to reduce operating expenditure. Where possible, savings will be sought from activities that do not directly impact our work to bring an end to avoidable blindness or generate future revenue for The Foundation.

The financial statements have been prepared on the going concern basis. The Fred Hollows Foundation in Australia has given the necessary assurances that sufficient resources will be made available such that the charity can meet its liabilities as and when they fall due, and for at least the twelve months from the date of approval of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31<sup>st</sup> December 2019**

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**1.3. Charitable funds**

The charity maintains a number of internal funds which include restricted and unrestricted funds:

- Unrestricted – General funds: The General fund is the free fund of the charity.
- Unrestricted – Designated funds: These funds are derived from donations and grants set aside to be used in accordance with the resolutions passed by the Trustees. Until expended, the funds are held in cash.
- Restricted funds: These funds are derived from donations, grants and bequests to be used in accordance with the wishes of the donor.

**1.4. Income**

The following activities were undertaken by the charity to generate voluntary income during the year:

- Researching and identifying prospective Trusts and Foundations, Corporate partners, individuals, Government aid agencies and large institutional donor development.
- Development and submission of funding applications to the aforementioned prospects.
- Relationship development with both existing and new funders.

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the Trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

Incoming resources from tax reclaims are included in the SoFA at the same time as the gift to which they relate.

Donated services and facilities are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity.

The value of any voluntary help received is included in the financial statements when it is quantifiable.

Any investment income is included in the financial statements when receivable.

## NOTES TO THE FINANCIAL STATEMENTS

### For the year ended 31<sup>st</sup> December 2019

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#### 1.5. Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and the irrecoverable element of VAT is included in the expenses to which it relates.

Charitable expenditure includes grants payable together with costs associated with the delivery of such charitable activity. Associated costs include support costs and governance costs.

Grants are only recognised in the financial statements when a commitment has been made and there are no conditions to be met relating to the grant which remains in the control of the charity.

Governance costs include expenses relating to the preparation and examination of statutory financial statements, the costs of Trustee meetings and cost of any legal advice to Trustees on governance or constitutional matters.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g., directly if costs are entirely attributable to activities, or proportionately between costs of generating voluntary income, and costs relating to charitable activities. Costs not directly attributable to generating voluntary income, charitable activities or governance are split 8% towards generating voluntary income, 88% towards charitable activities and 4% towards governance costs.

#### 1.6. Deferred income

Grants from Governments and other institutional donors where related to performance and specific deliverables are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance of its recognition it is deferred and included in creditors. Where entitlement occurs before income being received the income is accrued.

#### 1.7. Tangible fixed assets

Tangible fixed assets are capitalised at cost if they can be used for more than one year and are not project specific.

Depreciation is calculated on a straight line basis so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Software	–	3 years.
Computer equipment	–	3-5 years.
Other equipment	–	5 years.

An annual impairment review is carried out with no impairments required in the year (2017 nil). The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

#### 1.8. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> December 2019

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### 1.9. Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31<sup>st</sup> December 2019**

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**1.10. Pension costs**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.11. Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the Statement of Financial Activities.

**1.12. Operating leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

**1.13. Taxation**

The charity is a registered charity and accordingly exempt from taxation on its charitable activities which fall within the scope of part 10 ITA 2007 and section 256 of the Taxation of Chargeable Gains Act 1992.

**1.14. Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2. Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> December 2019

<b>3. Income Received</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>TOTAL 2019 £</b>	<b>TOTAL 2018 £</b>
a) General donations and intercompany support				
General donations	47,842	-	47,842	37,578
The Fred Hollows Foundation in Australia	452,445	-	452,445	479,773
b) Charitable Activities				
Rose Foundation	-	75,000	75,000	61,500
DFID	-	1,969,056	1,969,056	1,280,106
The Queen Elizabeth Diamond Jubilee Trust	-	1,284,834	1,284,834	1,964,591
Other	(19,384)	247,229	227,845	557,524
	<u>480,903</u>	<u>3,576,119</u>	<u>4,057,022</u>	<u>4,381,072</u>

**Represented as follows by activity:**  
**Support for overseas programmes**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>TOTAL 2019 £</b>	<b>TOTAL 2018 £</b>
Institutional funding: public bodies	-	1,969,056	1,969,056	1,280,106
Institutional funding: private organisations	-	1,359,834	1,359,834	2,026,091
Other Supporters	480,903	247,229	728,132	1,074,875
	<u>480,903</u>	<u>3,576,119</u>	<u>4,057,022</u>	<u>4,381,072</u>

**NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31<sup>st</sup> December 2019**4. Expenditure on raising funds**

	Direct Costs £	Staff Costs £	Support Costs £	TOTAL 2019 £	TOTAL 2018 £
Institutional fundraising activities	-	91,547	7,317	98,864	100,927
Other fundraising activities	2,916	12,046	963	15,925	16,122
Communication and PR	-	16,864	1,348	18,212	18,592
<i>Total expenditure on raising funds</i>	<u>2,916</u>	<u>120,457</u>	<u>9,628</u>	<u>133,001</u>	<u>135,641</u>

**5. Total expenditure on charitable activities****COSTS OF CHARITABLE ACTIVITIES****Overseas programmes**

	Unrestricted Funds £	Restricted Funds £	TOTAL 2019 £	TOTAL 2018 £
Long term development	281,585	3,505,507	3,787,092	4,173,772
<i>Total multi sector programmes</i>	<u>281,585</u>	<u>3,505,507</u>	<u>3,787,092</u>	<u>4,173,772</u>

**UK projects**

	Unrestricted Funds £	Restricted Funds £	TOTAL 2019 £	TOTAL 2018 £
Long term development	54,305	46,760	101,065	46,435
<i>Total UK project costs</i>	<u>54,305</u>	<u>46,760</u>	<u>101,065</u>	<u>46,435</u>

	Direct Costs £	Staff Costs £	Support Costs £	Total 2019 £	Total 2018 £
Overseas programmes					
Multisector overseas programmes funded by voluntary donations	3,441,778	239,415	105,899	3,787,092	4,173,772
UK projects	60,215	10,883	29,967	101,065	46,435

**6. Governance costs**

	2019 £	2018 £
Meeting costs and others	2,716	3,184
Audit fees	22,454	9,600
General costs	4,972	4,489
Depreciation	160	172
Staff costs	10,883	10,842
	<u>41,160</u>	<u>28,287</u>

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31<sup>st</sup> December 2019**

<b>7. Support costs</b>	<b>Charitable Activities £</b>	<b>Generating Funds £</b>	<b>TOTAL 2019 £</b>	<b>TOTAL 2018 £</b>
Staff costs	250,298	120,457	370,754	374,417
General costs	132,352	9,308	141,660	105,464
Depreciation	3,514	319	3,833	4,296
	<u>386,164</u>	<u>130,084</u>	<u>516,248</u>	<u>484,177</u>

<b>8. Net resources for the year</b>	<b>2019 £</b>	<b>2018 £</b>
<b>This is stated after charging:</b>		
Depreciation	3,993	4,296
Auditors' remuneration	22,454	9,600
Accountancy	2,310	2,310
Loss on disposal of fixed assets	-	664
Operating lease payments	35,880	31,000

**9. Trustees**

Trustee indemnity insurance of £3,405 (2018: £3,030) was paid to protect the charity from loss and to indemnify Trustees against the consequences, due to neglect or default on the part of the Trustees. None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

<b>10. Employees</b>	<b>2019 £</b>	<b>2018 £</b>
Gross wages and salaries	450,501	348,033
Employer's national insurance costs	42,399	38,299
Pension costs – defined contribution scheme	27,573	21,295
	<u>520,473</u>	<u>407,627</u>

The average monthly number of employees during the year was made up as follows:

Programmes	5
Governance/ Finance	3

One employee received remuneration in excess of £100,000 but not exceeding £110,000 (2018: one). No remuneration was paid to any Trustee or persons connected to a Trustee in the current or prior year.

The company pays pension at 9.5% of gross pay to each employee as part of standard terms of employment.

The following services in 2019 were carried out by Frank Hirth PLC:

- Payroll Fees relating to these services in 2019 were £3,119 (2018: £3,815 ).

**NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31<sup>st</sup> December 2019**11. Tangible fixed assets***Equipment*

£

**Cost:**

At 1 January 2019	21,243
Additions	-
Disposals	-
At 31 December 2019	<u>21,243</u>

**Depreciation:**

At 1 January 2019	14,294
Disposals	-
Charge for the year	3,993
At 31 December 2019	<u>18,287</u>

**Net book value:**

At 31 December 2019	<u>2,956</u>
At 31 December 2018	<u>6,949</u>

**12. Financial instruments****2019****2018**

£

£

**Carrying amount of financial assets**

Debt instruments measured at amortised cost	1,197,098	484,747
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**13. Debtors**

	<b>2019</b>	<b>2018</b>
	£	£
Amounts due from associated undertakings	825,414	327,192
Prepayments	2,077	13,434
Other receivables	50,761	1,230
Partner advances	365,322	157,555
		<u>499,411</u>
	<u>1,243,574</u>	<u>1,209,518</u>
		<u>499,411</u>

## NOTES TO THE FINANCIAL STATEMENTS

## For the year ended 31st December 2019

## 14. Creditors: Amounts due within one year

	2019 £	2018 £
Accruals	158,067	5,046
Deferred income	1,171,792	462,036
	<u>1,329,859</u>	<u>467,082</u>

## 15. Provisions for liabilities

	<i>Annual Leave</i> £
At 1 January 2019	4,728
Accrued during the year	45,212
Taken during the year	(35,692)
At 31 December 2019	<u>14,248</u>

## 16. Deferred income

	Brought Forward £	Amounts Released £	Amounts Deferred £	Carried Forward £
The Queen Elizabeth Diamond Jubilee Trust	269,682	(1,284,834)	1,490,857	475,705
DFID	217,730	(1,969,056)	2,262,502	511,176
Other	(25,376)	(242,437)	452,724	184,911
	<u>462,036</u>	<u>(3,496,327)</u>	<u>4,206,083</u>	<u>1,171,792</u>

## 17. Restricted Funds

	Brought Forward £	Income Received £	Expenditure £	Carried Forward £
The Rose Foundation	17,618	75,000	80,159	12,459
DFID	(543)	1,969,056	1,946,617	21,896
The Queen Elizabeth Diamond Jubilee Trust	(488)	1,284,834	1,282,996	1,350
Other	-	247,229	248,909	(1,680)
	<u>16,587</u>	<u>3,576,119</u>	<u>3,558,681</u>	<u>34,025</u>

**NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31<sup>st</sup> December 2019**18. Analysis of net assets between funds**

Total fixed assets	Unrestricted Funds £	Restricted Funds £	2019 £	2018 £
Tangible fixed assets	1,896	1,060	2,956	6,949
Net current assets	210,148	32,965	243,113	203,256
Net assets at 31 <sup>st</sup> December 2019	212,044	34,025	246,069	210,205

**19. Other financial commitments**

At 31<sup>st</sup> December 2019 the charity had annual commitments under cancellable operating leases as set out below:

Land and buildings	2019 £	2018 £
Operating lease which expires March 2020 after providing 6 months of notice in October 2019:	30,000	30,000

**20. Share capital**

The company has no share capital being limited by guarantee. The guarantors will contribute a maximum of £10 each in the event of liquidation.

**21. Related party transactions**

The ultimate controlling party is The Fred Hollows Foundation in Australia (registered charity ABN number: 46070556642) which is a not for profit entity and a limited company whose registered office is at 61 Dunning Avenue, Rosebery, New South Wales 2019, Australia.

**Support received in 2019**

The following services were carried out by The Fred Hollows Foundation in Australia without charging any costs to The Fred Hollows Foundation (UK):

- Bookkeeping
- Management accounting
- Annual financial statements preparation
- Grants management support

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31st December 2019**

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**22. Events subsequent to reporting date**

Following 31 December 2019, COVID-19 was declared a pandemic and governments worldwide implemented initiatives to control the spread of the virus. While the full repercussions of these are not yet known, there is the potential of consequential impacts on the assets, liabilities and results of the charity subsequent to 31 December 2019. Management anticipates revenue reductions and the corresponding need to reduce operating expenditure, management also believe that restrictions placed on peoples movements will also impact the foundation's ability to commence charitable activities in some locations. Where possible, savings will be sought from activities that do not directly impact our work to bring an end to avoidable blindness or generate future revenue for The Foundation.

The financial statements have been prepared based upon the conditions existing at the 31 December 2019 and considering those events occurring subsequent to that that, that provide evidence of conditions that existed at the end of the reporting period. As the outbreak of COVID-19 occurred after the 31 December 2019, its impact is considered an event that indicative of conditions that arose after the reporting period and accordingly, no adjustments have been made to the financial statements as at 31 December for the impacts of COVID-19.

The Fred Hollows Foundation (FHF), as the sole member of The Fred Hollows Foundation UK (FHF UK), is committed to provide mutually agreed funding to support FHF UK for a period of 12 months commencing from the date the 2019 statutory accounts are approved by the Trustees' in accordance with FHF and FHF UK's mutually agreed budget, procedures and approvals.

## **Acknowledgements**

### **UK donors and Memberships for 2019**

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#### **UK Donors (listed alphabetically)**

**We acknowledge the tremendous support extended to us by the following partners and sincerely thank them.**

#### **Our Major Institutional Donors:**

- The Queen Elizabeth Diamond Jubilee Trust
- United Kingdom Department for International Development.

#### **Other Donors:**

- Star Qualities Limited
- The Rose Foundation
- Mr Spears – Joy Limited

## **Organisational Memberships**

The Fred Hollows Foundation (UK) is an active:

- Member of the Neglected Tropical Disease NGO Network, which promotes effective NGO collaboration for a world without NTDs.
- Stakeholder of the WHO Alliance for the Global Elimination of Trachoma by the year 2020 (GET2020), which promotes collaboration between stakeholders supporting a world free of trachoma
- Stakeholder of the Uniting to Combat NTDs Partnership, which supports the WHO NTD Roadmap
- Member of the International Coalition for Trachoma Control (ICTC), which supports GET2020 objectives and priorities.
- Member of the UK Coalition Against NTDs, which is a collaborative partnership between UK organisations actively engaged in NTD research and implementation of sustainable NTD control programmes.
- Member of BOND, the UK development network, which promotes, supports and represents the work and interests of UK international development organisations through influence, training and networks.