

“WE DISCOVER  
OUR OWN HUMANITY  
WHEN WE HELP  
OTHERS.”

– Professor Fred Hollows



# ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

30 YEARS



The Fred Hollows  
Foundation (UK)

# ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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**Board of Trustees**

S Bell (Chair – until 1 January 2023 retired as a trustee 1 Feb 2023)  
N Watkinson (Chair – from 1 January 2023)  
J Dunstan  
M Ismail (from 1 February 2023)  
M Johnson  
A Malik  
K Van Toll  
J Younan (from 1 February 2023)

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**Company Secretary**

P Palmer

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**Registered office**

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London, SE1 0RB  
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**Company number**

07193829

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**UK registered charity number**

1140288

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**Contact details**

**Website:**

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

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**Bankers**

HSBC Bank Plc  
City of London Branch  
60 Queen Avenue Street  
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EC4N 4TR

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**Auditors**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

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# REPORT FROM THE CHAIR

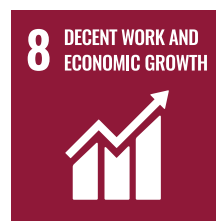
Welcome to our 2022 Annual Report. This year has been instrumental in setting ourselves up for future success. We developed, ratified and actioned The Fred Hollows Foundation's UK business plan maintaining the core focus on our fundraising mandate while ensuring we strengthened and aligned our additional roles as a locus for global advocacy, our global medical team and key finance and risk support services.

Recognising the rapidly evolving fundraising landscape, The Foundation (UK) commenced building the case for diversification and growth of grant and investment capital. The work included creating the necessary capital vehicles and championing new programmes and programme models capable of delivering impact at scale. This will help address both the growing burden of blindness, and donors' and partners' priorities in our key market and in Europe, USA, Middle East and East Africa. The Foundation (UK) is focused on delivering its critical role by contributing to our growth and global impact.

The Foundation (UK) has played a key role implementing The Fred Hollows Foundation's localisation and decentralization approach, in particular via management and support of our Middle East and East African business development teams, strategies, plans and capacity. 2023 will see The Foundation (UK) continue to champion and play its part delivering these goals and through them greater global impact.

In 2022, The Foundation (UK) aligned our advocacy function with fundraising and programming within the framework of the Sustainable Development Goals (SDGs): particularly, through the prioritization and championing of women, girls and children, their eye health, education, well-being and life-chances. This is important for our future success and reflects changes in donor approaches to funding.

Advocating for the elevation of eye health as a critical development issue, and therefore,



essential for the attainment of the Sustainable Development Goals (SDGs) 1, 3, 4, 5, 8 and 10, was aligned with our fundraising activities and priority programmes.

This will continue in 2023 onwards as we leverage this great teamwork.

2022 culminated with an event, hosted by Australia's High Commissioner to the UK, at Australia House. The event, attended by a hundred supporters, friends, trustees and staff of The Fred Hollows Foundation, marked and celebrated 30-years since we commenced our journey to end avoidable blindness. Gender equity and children was the key theme and we used the occasion to confirm our continued commitment to equitable access to quality eye care, and the role good vision and eye health play in underpinning a healthy, productive and happy life.

Finally, we recruited new trustees and a new chair completing key aspects of our governance goals.

## 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 (a copy of which is 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 and 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 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).



N. Watkinson, Chair  
17 May 2023



# OBJECTIVES

## Background

The Foundation (UK) is inspired by the work and example of the late ophthalmologist Professor Fred Hollows. The organisation was established in the UK in 1998 and pursues a vision of a world in which no-one is needlessly blind or vision impaired.

The Foundation (UK) is an independent and secular development organisation that aims to promote and preserve good health of the public anywhere in the world, with particular focus on eye health in low and middle-income countries. We do this as part of The Fred Hollows Foundation's global network of entities and support actions that include:

- a. planning, managing and funding eye health, and related health human resource development programmes concerned with the delivery of eye health services and surgery;
- b. facilitating the delivery of comprehensive and quality eye health, equipment and consumables required for best practice eye care;
- c. promoting, assisting and conducting research into eye care, medicine and areas related to health and well-being of people in low and

middle-income countries, and disseminating the results; and

- d. working in partnership and consortium with public, private and not-for-profit organisations to ensure eye health is part of wider health and developmental goals including, supporting Universal Health Coverage (UHC) and with partner countries to deliver their commitments to the Sustainable Development Goals (SDGs).

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 Foundation (UK) has a direct geographic footprint.

The way we undertake this work more specifically is outlined in our current goals below.

## Charity Objects

The objects are:

- 1.1 the advancement of health;
- 1.2 the advancement of education; and
- 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.

## Current goals

As part of The Fred Hollows Foundation global network of entities, The Foundation (UK) both supports The Foundation's global vision, mission and objectives in respect to eye health, and adds its specific value for the mission through the following objectives:

- 1.1 raise new, innovative and diversified capital sources in the UK and Europe and supporting the same in East Africa and UAE for the prevention of avoidable blindness;
- 1.2 establish novel partnerships and relationships with public, multi-lateral and private organisations, foundations, social impact investors and individuals to increase the available resources available for the prevention of avoidable blindness;
- 1.3 recognising and elevating the critical role vision plays, prioritising the mobilisation of capital and advocating for children's health and well-being and women and girl's health and well-being in support of UHC, their life journeys and the attainment of the following Sustainable Development Goals: SDG1: No Poverty; SDG3: Good Health and Well-Being; SDG4: Quality Education; SDG5: Gender Equality; SDG8: Decent Work and Economic Growth; and SDG10: Reduced Inequalities; and
- 1.4 support the localisation and capacity of our East African cluster office in Nairobi to mobilise capital in the region for impact in the region, including building relationships with donors, public entities and other development actors.

# ACHIEVEMENTS, PERFORMANCE AND DEVELOPMENT

We are determined to deliver Fred Hollows' vision of preventing blindness and restoring sight. The combination of the effects of COVID-19 and demographic trends in the countries where we work mean that, despite our increased positive impact, there is a growing number of people with or at risk of vision loss and blindness.

The Fred Hollows Foundation is determined to scale up our work to meet the unmet demand.

Throughout 2022 we were able to return to pre-pandemic levels of programming and increased the number of people we reached. Our country programmes continue to deliver impact in new and existing ways with many projects exceeding expectations and targets.

We work to ensure that our efforts amplify the global reach of The Fred Hollows Foundation's 2019-2023 Strategy, by playing our unique role from the UK as part of the wider network of entities.

We continue to build on 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 through three key services: fundraising, advocacy and hosting global services and related human resources.

# FUNDRAISING

Grants held and managed by The Fred Hollows Foundation (UK) reduced in 2022.

As The Foundation (UK) concentrates on its specific objectives and value addition for The Foundation globally, particularly in relation to new and diversified capital sources and partnerships, we spent 2022 building the foundations to deliver growth. This is particularly important given the significant changes and challenges with bi-lateral donors and increased competition for foundation donor funds.

The Foundation (UK) has broadened its contacts and networks into diversified fundraising streams and partnerships.

We have developed and gained support for public-private-partnerships, commenced the analysis and design of an eye-health social investment model, and increased engagement with trusts, foundations and the private sector.

The Foundation (UK) has and will continue to play a crucial role delivering the global institutional fundraising strategy for The Fred Hollows Foundation including finance mechanisms, partnerships and coalitions, innovative business and revenue models and the application of The Fred Hollows Foundation's world leading expertise and intellectual property to ensure adjacent sectors include and regard eye health as critical to deliver and sustain their success with excellent return on investment (e.g. education, livelihoods, aging and health systems).

## Wellcome Trust

Wellcome Trust contributed a total of £313,151 (2021: £200,410) towards the Stronger-SAFE a five-year project that will increase our understanding of how trachoma is transmitted leading to the development

We increased our relationships with European donors, private corporations, INGOs, government and multilateral donors and trusts and foundations.

These relationships are expanding our reach, enabling us to create consortiums and position ourselves for and with donors and partners across the UK, Europe, East Africa and the UAE growing and diversifying our revenue streams.

With the UAE fundraising team and entity managed from the UK, 2022 saw the delivery of a 5-year UAE business plan and the continued leveraging of links between the entities to convene partners and donors across the UK, Europe and Middle East to combine funds and increase scale.

In 2022 and beyond, we will stand on these foundations, implement the global institutional fundraising strategy with our colleagues and utilise the unique combination and expertise of the UK trustees, staff and location to grow and diversify our revenue in the UK and Europe, in synergy with the Middle East and East Africa offices.

We will enhance the range of support services for our colleagues, particularly in East Africa and South Asia, to enable us to engage with donors directly through their embassies and missions in these regions.

and testing of new, more effective interventions and treatment approaches.

We are funded by the Wellcome Trust through a collaborative award.



## The Fred Hollows Foundation in Australia

For its role as part of the global Fred Hollows' network, The Foundation (UK) receives financial support for its operations. This involves the reimbursement of office operating expenses inclusive of salaries for employees, overseas and domestic travel, and Trustee meeting expenses.

The significant majority of these is for hosting global services and related human resources.

These arrangements will be in place for the foreseeable future.

In 2022, The Fred Hollows Foundation reimbursed expenses totalling £422,923 (2021: £793,489) to The Foundation (UK). Amounts payable at the year end to The Foundation was £260,519 (2021: £nil).

## Sightsavers

In 2018, Sightsavers was awarded grants to accelerate goals in trachoma interventions in selected countries in the Commonwealth and contribute towards the global elimination of trachoma by delivering the WHO-endorsed SAFE strategy (surgery, antibiotics, facial cleanliness and environmental improvements).

Sightsavers has agreed to sub-grant monies to implementing partners in order for it to carry out the projects in Ethiopia and Kenya.

Sightsavers contributed a total of £956,273 (2021: £1,047,804) to The Fred Hollows Foundation (UK) for activities in Ethiopia and Kenya.

## Novartis

Novartis (NVS Kenya Ltd) has entered into a new partnership with The Foundation (UK) in Kenya and in 2022 contributed £95,289 to the project.

This first year of a three-year programme proved pivotal in enabling the Kenya programme to gather evidence and test a new partnership model.

We are negotiating additional funding in 2023 and 2024 from Novartis and will seek new funding for the balance of this exciting new Kenya led programme.

# FUNDRAISING continued

## Fundraising Disclosures

The below paragraphs are written in accordance with the Charities (Protection and Social Investment) Act of 2016. The Foundation (UK) raises the majority of its funds through engagement with institutions and foundations. The Foundation (UK) only receives minor donations from the general public.

The Foundation (UK) does not engage any fundraising agencies to undertake fundraising on our behalf. Any email or newsletters with fundraising call to actions have a clearly marked method of unsubscribing. Any member of the public who unsubscribes is automatically removed from The Foundation (UK) subscription list.

There have been no complaints about our fundraising activities in 2022.

The Fred Hollows Foundation adheres to the Fundraising Regulators Code of Fundraising Practice.

We are committed to fundraising in a way that is respectful, open, honest and accountable to the public.

The Fred Hollows Foundation has adopted The Australian Council for International Development (ACFID) Code of Conduct (the Code), a voluntary, self-regulatory industry code of good practice.

The aim of the Code is to improve the outcomes of international development and increase stakeholder trust by enhancing the transparency and accountability of signatory organisations.



# ADVOCACY

Working with global coalition partners, The Foundation's advocacy team strengthened guidance for eye care in health systems and raised the profile of eye health at the United

Nations (UN): with a special focus on gender, continuing the alignment and leveraging of the value addition inherent in the entity's human resources and skill sets.



## How eye health contributes to achieving gender equity and the empowerment of women and girls in the context of climate change

During the 66th United Nations Commission for the Status of Women in May, The Foundation moderated an official side event that explored the intersection between eye health, gender equity and climate change. With a panel that included keynotes from the Friends of Vision UN Ambassador Co-Chairs; UN Women Deputy Executive Director; Director of the WHO office in New York, discussion focused on the link

between climate and eye health that threatens to undo decades of progress in global health and leave women and girls in low- and middle-income countries more susceptible to poverty. We discussed the impacts of climate change and vision impairment and how these perpetuate the cycle of socioeconomic marginalisation of women and girls, impeding progress toward gender equity.

## Joining forces: bringing women's health into focus

In the lead up to the World Health Organization High Level Meeting on UHC in September 2023, The Foundation has called for a sharper focus on the gender inequalities in Non-Communicable Diseases (NCDs). Working with The George Institute for Global Health and NCD Alliance, The Foundation co-authored an article in the Health

Policy Watch Journal in December 2022 that reflected on the need to prioritise better data collection, integrate services more effectively and elevate more women into leadership positions in health care.

Read the article [here](#).

## Eyes, Kidneys and Feet

In December, The Foundation and International Agency for the Prevention of Blindness (IAPB) co-hosted 'Eyes, Kidneys and Feet: Joining Forces' at the International Diabetes Federation (IDF) Congress in Lisbon, Portugal. Chaired by Serge Resnikoff, the audience heard from an impressive panel including Andrew Boulton (IDF President),

David Flood (Assistant Professor of Medicine at the University of Michigan), Cova Bascaran (IAPB Diabetic Retinopathy Work Group Co-Chair) and Edith Mukantwari (ED Africa Diabetes Alliance) about the complications of diabetes and how important it is to integrate diabetic complication care, including eye health, into diabetes care.

# ADVOCACY continued



## Marching to 2030 and making eye health count

In the sidelines of the 75th World Health Assembly in May and in collaboration with the World Health Organization (WHO), the IAPB and other leading eye health partners, The Foundation moderated an event to launch the WHO 'Eye care in health systems Guide for action' and accompanying technical tools. Keynote addresses were provided

by delegates from Australia, Bangladesh, Indonesia and the WHO Director General, Dr Tedros Adhanom Ghebreyesus. These tools will support governments and the eye health sector to implement Integrated People Centred Eye Care into health systems and close gaps in access to eye care.

## Collaborating with the eye health sector

The Fred Hollows Foundation is represented on two of the IAPB Work Groups: Co-Chair of the Diabetic Retinopathy Work Group and Co-Chair and Secretariat of the Gender Equity Work Group.

The Foundation is an active supporter and contributor to the International Coalition of Trachoma Control (ICTC), a multi-stakeholder coalition of non-government organisations, academic organisations, donors and the private sector, working together in support of the WHO Alliance for the Global Elimination of Trachoma (GET2020 Alliance). The Foundation fosters collaboration through ICTC by providing administrative support to the coalition secretariat.

In 2022, The Foundation provided strategic support and consultation to shape and develop **ICTC's strategic plan 2022 – 2030**, which unites stakeholders around a shared vision to eliminate trachoma as a public health problem by 2030. The Foundation worked with ICTC to celebrate Vanuatu being validated by the WHO for eliminating trachoma as a public health problem; advance political will and advocacy on vision including trachoma in Commonwealth nations through the **Vision for the Commonwealth campaign**; and contributed to the ICTC Trachoma Update series published in the **Community Eye Health Journal**.

# FINANCIAL REVIEW

In 2022, The Fred Hollows Foundation (UK) had total income of £1,803,093 (2021: £2,232,997), comprising support as follow:

- The Fred Hollows Foundation £422,923 (2021: £793,489).
- NVS Kenya Ltd (Novartis) £95,289 (2021: £nil).
- Other donations from individuals, trusts and foundations £1,284,881 (2021: £1,300,252).
- In 2022, The Fred Hollows Foundation (UK) incurred total expenditure of £2,046,808 (2021: £2,410,104) producing an overall deficit of £243,715 (2021: £177,107).

The Foundation (UK) has a level of restricted income and consequently several individual funds to which expenditure is allocated. In the normal course of business, a final review of the allocation of expenditure is performed after a project has been completed. This can give rise to a transfer between funds. The Foundation has performed a review of these individual funds. This review has led to a net reallocation of historic expenditure from unrestricted to restricted.

Total fund balances decreased to £ 264,632 at the end of the year (2021: £508,347). Unrestricted reserves were lower than last year at £231,157 (2021: £343,083). Restricted fund balances were £33,475 (2021:£165,264).

## Future prospects

**Operationalising the Business Plan:** 2022 saw the development and ratification of The Foundation's (UK) strategic and business plan (2022-2025). This sets out the value addition and focus The Foundation (UK) will seek to deliver. The operationalisation of the plan began in 2022 and will continue to gain traction. This plan informs and will align with The Foundation's next 5-year global strategy.

The Foundation (UK) will continue to draw its comparative advantage being based in London, and its competitive advantage provided by its mix of medical, advocacy, services and fundraising human resources. It will deliver a key role by providing access to a diverse set of donors and social impact investors in London, The UK and Europe. This supports and is supported by The Foundation's institutional fundraising strategy.

Consequently, The Foundation (UK) will build new partnerships and consortiums inside and outside the eye health sector, channel knowledge and advice on programme design, particularly for children, women and older people, and drive innovative models for accessing capital and related interventions and partnerships.

The organisation is building a balanced portfolio of funding using a 'mixed capital model' – accessing government bi-lateral funds, multi-lateral funds, funds from foundations, basket funds, new instruments and social impact investors. A mixed capital model combines different forms of capital and donors in a way that balances risk and provides leveraging opportunities and value for money.

**Decentralisation and localisation:** donors decision making, and design processes are increasingly decentralised. In response to this in 2022, The Foundation (UK) manages a Business Development Lead based in Nairobi. This role will grow the engagement of UK, European, USA, other international and East African donors based in East Africa, and seeks to increase the resources secured in East Africa for East Africa.

**Building Consortia and Partnerships:** through 2022 The Foundation (UK) continued to play a leadership role in bringing together partners and donors outside of eye health, placing vision central to a range of SDGs and building novel partnerships and consortia capable of delivering improved eye health at scale. The Foundation (UK) will continue this work in collaboration across The Foundation, and in East Africa, The Middle East and South Asia.

# FINANCIAL REVIEW continued

The Foundation (UK) will continue its role establishing and deepening relationships with partners from government, innovation funds, social impact investors, foundations, the private sector, academia and high net worth individuals in our priority areas. Similarly, engaging commercial contractors where we can add value and impact for better health and eye health.

The climate crisis is driving new investments, and The Foundation will need to engage with those whose vision and welfare are affected by climate impacts and seek to build programmes that increase people's resilience and adaptation to the impacts of climate change.

## Programmatic

The Foundation (UK) is seeking to extend key, focused development partnerships, resource mobilisation and advocacy work in pursuit of its objectives and goals.

We are working to position The Foundation as a recipient of funding around non-communicable diseases (particularly diabetes) and gender and education funding in consortia. This includes supporting the evidence and development of flagship, locally led programme designs and consortia for children's well-being, healthy ageing, diabetic retinopathy and glaucoma.

The Foundation is approaching government, private sector and foundation donors with UK and European partners to align fundraising, programme and business development objectives, priorities and activities across our UK, Europe, Middle East and East Africa teams.

We are a member of the Avoidable Blindness Alliance with Alliance members IAPB, VULA, SightLife and Novartis Global Health: including for the delivery of eye health impacts in Kenya (a partnership between The Fred Hollows Foundation and Novartis), Namibia and Botswana & Ethiopia.

A key focus is the management and delivery of investments and grants held by The Foundation (UK) for our impact work in Ethiopia, Pakistan, Eritrea and Kenya, including extending our work with the London School of Hygiene and Tropical Medicine in respect to action research for trachoma elimination in Ethiopia.

Extending development partnerships, resource mobilisation and advocacy work in pursuit of its objectives and goals is a priority.

## Organisational

Development, ratification and operationalisation of both The Foundation (UK) and The Foundation's (UAE) business and fundraising plans, and related programmatic design inputs and partnerships to drive the growth and diversification of the grant and contract portfolio, including the necessary input into organisational change management and innovation.

The Foundation (UK) role as an office and entity for hosting a range of global roles, whilst leveraging these roles and location to deliver critical

technical and market knowledge and global support services, continues to grow as more global personnel come under the auspices of The Foundation (UK).

Business development for The Foundation's East African Cluster, and business development management, entity strategy and managing director services for The Foundation's UAE office is provided by The Foundation (UK) through the role of Head of Development UK, Europe and Middle East.

## Going concern

The Foundation's programming continues to increase as the impact of the global COVID-19 pandemic eases. In 2022 our programming returned to pre-pandemic levels.

The Trustees have considered and assessed the current situation arising from the war between Russia and Ukraine and have concluded that the war has no operational and financial impact on the operations of The Foundation (UK) in the foreseeable future.

The financial statements have been prepared on the going concern basis. The Fred Hollows Foundation has given the necessary assurances, via a Letter of Comfort on 24 April 2023, 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 12 months from the date of approval of these financial statements.

Given the continued support of The Fred Hollows Foundation and the strength of their balance sheet, the Trustees believes that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the charity's ability to continue as a going concern. The Trustees therefore consider it appropriate for the accounts to be prepared on a going concern basis.

## 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 Foundation network, the amount of reserves needed are supported by The Fred Hollows Foundation. The UK Trustees' free reserves target is to meet contractual and legal liabilities and ethical obligations.

The current unrestricted funds are £231,157 (2021: £343,083). Level of Reserves required is £200,000 to £250,000 which is the yearly range for three months' worth of Operational expenditure for The Foundation (UK).

# HOW WE MANAGE OUR AFFAIRS

## Governance and internal control

The Board of Trustees of The Fred Hollows Foundation (UK) is responsible for the governance of the entity. The Board has a provision to meet at least five times per year to review performance and to agree plans relating to the organisation's financial, operational, and development activities.

In 2022 the Trustees had four board meetings.

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 inform discussions and decisions about the organisation's objectives, plans and strategies. Penelope Palmer acts as the local Company Secretary.

## 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 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 a three-year term. 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.

Effective 1 February 2023, Mohammad Ismail and Jennifer Younan were appointed to the UK board and Stephen Bell resigned.

### Trustee induction

Induction of new Trustees is performed by the Chair and Company Secretary. Trustees receive an orientation pack, the Articles of Association, relevant policies including Conflicts, Financial Crime and Safeguarding People and a copy of The UK Charity Commission's *The Essential Trustee: What you need to know, what you need to do*.

### Organisational development

The company operates within the global Fred Hollows Foundation network. It coordinates and leads a range of advocacy, programming, partnership, and resource mobilisation activities aligned with the organisation's strategy. The strategic objectives of the organisation remain the same.

The Foundation (UK) continues to host a growing number of roles and individuals with global remits from all areas of the organisation. The total number of full-time employees is eight.



## Related party

### 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 and the United States of America, form an international network to achieve shared development objectives. The Foundation (UK) is part of that global network which is headquartered in Australia and named The Fred Hollows Foundation. The Foundation also has related entities in Singapore and Vietnam within its Alina Vision social enterprise joint venture.

The Fred Hollows Foundation 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 Foundation's UK Office as part 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.

### Pay policy for Trustees and staff

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

- Official Relations with the World Health Organization (WHO).
- Stakeholder of the Uniting to Combat NTDs
- Partnership, which supports the WHO NTD Roadmap.
- Member of the International Coalition for Trachoma Control (ICTC).
- Member of the NCD Alliance, which aims to make NCD prevention and control a priority, everywhere.
- 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.

size and nature. A full review and alignment of salaries was carried out in 2022.

# HOW WE MANAGE OUR AFFAIRS continued

## Risk management

The Foundation (UK) management and Board, with support from the global Fred Hollows Foundation Group, is responsible for overseeing risk management in the UK, including ensuring risks, material incidents and investigations are appropriately identified, analysed, and managed.

In July 2022 The Foundation (UK) implemented a new group wide risk management tool to enhance transparency and consistency. All risks with a residual rating of High and Very High are escalated through a quarterly risk report including to The Foundation (UK) Board. In the absence of any Very High or High risks Moderate risks were reported.

Key risks and controls identified for The Fred Hollows Foundation (UK) in 2022 were:

Risk	Controls
<p>External: Geopolitical issues creating volatility of foreign exchange rates, interest rate rises, and high inflation could result in overspend of Foundation funds, underspend of donor funds and a broader impact on fundraising and program delivery.</p> <p>Impact on program delivery due to the increased impact of the Ukraine war on supply of wheat and fertilizer and the growing food crisis in certain regions, and redirection of funds from eye health.</p>	<p>The capital base is monitored monthly, and the capital requirements are reviewed in advance. The Foundation has sufficient cash on balance sheet to mitigate unexpected events.</p> <p>Annual budget, regular financial reporting and reforecasting are used to factor in events post budget production.</p> <p>Given the variety of currencies generating revenue and expenditure for The Foundation, there is a natural hedge.</p>
<p>Safeguarding People: Child or vulnerable person suffers abuse or exploitation by program and partner staff, volunteers, ambassadors, champions, or consultants.</p>	<p>The Foundation has clear child protection guidelines in place, detailing appropriate and inappropriate behaviour. Mandatory Safeguarding People training is conducted every two years for all staff and Safeguarding clauses are embedded in partnership agreements and contract templates to ensure The Foundation's Safeguarding People Policy incorporating Safeguarding Code of Conduct and Child Protection, process and practices are adhered to. There is a Speak Up process in place to provide appropriate channel for reporting concerns. The Foundation also has processes in place for managing the collection and use of data and images of children</p>

Risk	Controls
<p>Financial Crime: Improper or irregular use of funds could result in financial misconduct and potential financial loss.</p>	<p>The Foundation conducts Financial Crime Training for all new employees and implementing partners. Experienced Foundation finance staff are involved in key positions and there has been an increase in the number of approvers in place for bank accounts to ensure all payment approvals are given sufficient review. An independent assessment of the staff positions with access to The Foundation's financial systems has been reviewed by the Chief Financial Officer and a quarterly review process has been instigated to catch any updates.</p>
<p>Clinical Practice: the quality of cataract data collected by partners and the lack of reporting of Serious Untoward Incidents (SUI) has implications for clinical risk oversight and management.</p>	<p>Remediation measures to address these issues include mandatory reporting processes for partners, and inclusion of contractual clauses in Partnership Agreements.</p>
<p>Fundraising: Declining restricted funding contracts with few/no eye-health opportunities being released across UK.</p>	<p>The potential impact of revenue loss to the broader organisation was mitigated by underspends and strength of revenue in other channels.</p> <p>FHF UK has a Business Plan in place against which performance is measured as we seek to build a tangible program that will appeal to a range of donors. Also to design, launch and capitalise new vehicles and models for funding and impact – these include social impact fund, child well-being, workforce development and others.</p> <p>The Business Plan also includes the commencement of a new role in 2023: a Business Development Manager will undertake direct action and engagement with donors and investors with prioritised, strategic programmes and donors.</p>
<p>Safety and Security: Inadequate work/life balance for UK staff resulting in occupational burnout.</p>	<p>Results from staff satisfaction and culture surveys, conducted in 2022 led to actions to strengthen a positive culture and working environment for all staff. These include options for flexible work arrangements and encouragement to take annual leave, and sick leave for mental health reasons. Locally, in-person meet-ups in the office or other convenient locations for staff have been encouraged to make for easier peer to peer check ins and support.</p>

# HOW WE MANAGE OUR AFFAIRS continued

## 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.

There is no requirement in the current UK Articles of Association for auditors to be reappointed annually. Therefore, in the absence of any formal tender for 2022, BDO UK will remain appointed for the 2023 annual audit.

Registered office:

9 Rushworth Street  
London  
SE1 0RB



Signed on behalf of the Trustees

Trustee: Nicola Watkinson (Chair)

Date: 17 May 2023

# STATEMENT OF TRUSTEES' RESPONSIBILITIES

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 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

## 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.

# INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF THE FRED HOLLOWES FOUNDATION (UK)

## Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31st December 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The Fred Hollowes Foundation (UK) ("the Charitable Company") for the year ended 31st December 2022 which comprise the statement of financial activities, the balance sheet, statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

## Basis for opinion

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

## Independence

We remain 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.

## Conclusions related to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the

Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises: the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

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

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

# INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF THE FRED HOLLOWES FOUNDATION (UK) continued

## Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance

is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### Extent to which the audit was capable of detecting irregularities, including fraud

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

extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We made enquiries of management and those charged with governance, including:



- how they have identified, evaluated and complied with laws and regulations and whether they were aware of any instances of non-compliance; and
- their process for detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;

We performed analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. Areas of identified risk were then tested substantively;

- we read minutes of meetings of those charged with governance;
- we reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with applicable laws and regulations;
- in addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; and

- we challenged assumptions made by management for key estimates.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC'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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jill Halford (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor  
London, UK

**29 June 2023**

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

# STATEMENT OF FINANCIAL ACTIVITIES

(Including Income and Expenditure account) As at 31 December 2022

	Note	Unrestricted funds £	Restricted funds £	2022 Total £	Unrestricted funds £	Restricted funds £	2021 Total £
Donations & Intercompany Support	3	434,797	-	434,797	808,551	-	808,551
Charitable Activities	3	-	1,368,296	1,368,296	-	1,424,446	1,424,446
<b>Total Income</b>		<b>434,797</b>	<b>1,368,296</b>	<b>1,803,093</b>	<b>808,551</b>	<b>1,424,446</b>	<b>2,232,997</b>
Expenditure Raising Funds	4	203,225	-	203,225	131,252	-	131,252
Expenditure Charitable Activities	5	445,520	1,398,063	1,843,583	561,148	1,717,704	2,278,852
<b>Total Expenditure</b>		<b>648,745</b>	<b>1,398,063</b>	<b>2,046,808</b>	<b>692,400</b>	<b>1,717,704</b>	<b>2,410,104</b>
<b>Net Income (expenditure)/</b>		<b>[213,948]</b>	<b>[29,767]</b>	<b>[243,715]</b>	<b>116,151</b>	<b>[293,258]</b>	<b>[177,107]</b>
<b>Brought Forward 1 January</b>		<b>343,083</b>	<b>165,264</b>	<b>508,347</b>	<b>226,932</b>	<b>458,522</b>	<b>685,454</b>
Transfer	17, 18	102,022	[102,022]	-	-	-	-
<b>Funds at 31 December</b>		<b>231,157</b>	<b>33,475</b>	<b>264,632</b>	<b>343,083</b>	<b>165,264</b>	<b>508,347</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

As at 31 December 2022

	Notes	2022 £	2021 £
<b>Fixed Assets</b>			
Tangible assets	11	-	90
		-	90
<b>Current Assets</b>			
Debtors	13	305,593	463,574
Cash at the bank and in hand		311,578	127,914
		617,171	591,488
<b>Creditors: Amounts falling due within one year</b>	14	[323,247]	[55,666]
<b>Net current assets</b>		293,924	535,822
<b>Net current assets less current liabilities</b>		293,924	535,912
Provisions for liabilities and charges		[29,292]	[27,565]
<b>Net current assets</b>		264,632	508,347
<b>Total assets less current liabilities</b>		264,632	508,347
<b>Total funds</b>			
Unrestricted funds	18	231,157	343,083
Restricted funds	17	33,475	165,264
		264,632	508,347

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

These financial statements were approved by the Board of Trustees on 17 May 2023 and signed on its behalf by:



Trustee: Nicola Watkinson, Chair

Date: 15 June 2023

The notes on pages 29 to 39 form part of these financial statements

**Company registration no: 7193829**

# STATEMENT OF CASHFLOWS

For the year ended 31 December 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Operating deficit for the financial year	<b>[243, 715]</b>	[177, 107]
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	90	577
Decrease in trade and other receivables	<b>157, 981</b>	219, 007
Increase/(decrease) in payables and provisions for liabilities	<b>269, 308</b>	[81, 651]
<b>Net cash from/(used in) operating activities</b>	<b>183, 664</b>	[39, 174]
<b>Cash flows from investing activities</b>	-	-
<b>Cash flows from financing activities</b>	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>183, 664</b>	[39, 174]
Cash and cash equivalents at beginning of year	<b>127, 914</b>	167, 088
<b>Cash and cash equivalents at end of year</b>	<b>311, 578</b>	127, 914

## 1. Accounting policies

### The Charity information

The Fred Hollows Foundation (UK) is a private company limited by guarantee incorporated in England and Wales. The registered office is 9 Rushworth Street, London, SE1 0RB.

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 2019. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the charities (Accounts and Reports) regulations 2019 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 2022 are the eighth 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.

### 1.2. Going concern

The ongoing global pandemic with COVID-19 continues to cause operational challenges to The Fred Hollows Foundation’s planned work. Despite this, other decisions and actions have ensured it has not had a significant detrimental impact on the financial results of The Fred Hollows Foundation. However, we are aware there is a backlog of our critical work to reduce vision loss and blindness as a result of the pandemic. For this reason, The Fred Hollows Foundation have planned to use funds from their accumulated surplus for future programming to ensure we can impact the backlog once operating conditions have stabilised.

The financial statements have been prepared on the going concern basis. The Fred Hollows Foundation in Australia has given the necessary assurances, via a Letter of Comfort on 24 April 2023, 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.

Given the continued support of The Fred Hollows Foundation and the strength of their balance sheet, the Trustees believes that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the charity’s ability to continue as a going concern. The Trustees therefore consider it appropriate for the accounts to be prepared on a going concern basis.

### 1.3. Charitable funds

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

- Unrestricted or General funds: these are funds received from donors which are not held for any particular charitable purpose. They can be spent as deemed fit by the trustees.
- Restricted funds: These funds are derived from donations, grants and bequests to be used in accordance with the wishes of the donor.

## 1. Accounting policies (continued)

### 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 probably 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.

### 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 29% towards generating voluntary income, 66% towards charitable activities and 5% 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 cost £1,600 or more, 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 (2021: 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.

### **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.

#### **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. Accounting policies (continued)

### 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.

#### (i) Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience.

#### (ii) Gifts in-kind

Volunteer work done within The Foundation is not reported and is not material. We are unable to accurately determine the value of services carried out by The Fred Hollows Foundation in Australia, on behalf of The Foundation, without charging any costs and as a result do not record them in our accounts.

## 3. Income Received (Donations and grants)

	Unrestricted funds	Restricted funds	2022 Total	Unrestricted funds	Restricted funds	2021 Total
	£	£	£	£	£	£
a) General Donations & Intercompany						
General donations	11,874	-	11,874	15,062	-	15,062
The Fred Hollows Foundation Australia	422,923	-	422,923	793,489	-	793,489
b) Charitable Activities						
FCDO	-	-	-	-	139,256	139,256
Sightsavers	-	956,272	956,272	-	1,047,804	1,047,804
Other funds	-	412,024	412,024	-	237,386	237,386
	<b>434,797</b>	<b>1,368,296</b>	<b>1,803,093</b>	<b>808,551</b>	<b>1,424,446</b>	<b>2,232,997</b>



### 3. Income Received (Donations and grants) (continued)

	Unrestricted funds	Restricted funds	2022 Total	Unrestricted funds	Restricted funds	2021 Total
	£	£	£	£	£	£
<b>Support for overseas programmes</b>						
Institutional funding: Public bodies	-	956,272	956,272	-	1,047,804	1,047,804
Institutional funding: Private Organisations	-	316,735	316,735	-	-	-
Support for UK projects	434,797	95,289	530,086	808,551	376,642	1,185,193
	434,797	1,368,296	1,803,093	808,551	1,424,446	2,232,997

### 4. Expenditure on raising funds

	Direct Costs	Staff Costs	Support Costs	Total 2022	Direct Costs	Staff Costs	Support Costs	Total 2021
	£	£	£	£	£	£	£	£
Institutional fundraising activities	-	141,433	13,017	154,450	-	94,821	4,930	99,751
Other fundraising activities	-	18,610	1,713	20,323	-	12,476	649	13,125
Communication & PR	-	26,054	2,398	28,452	-	17,468	908	18,376
Total expenditure on raising funds	-	186,097	17,128	203,225	-	124,765	6,487	131,252

### 5. Total expenditure on charitable activities

	Unrestricted Funds	Restricted Funds	TOTAL 2022	Unrestricted Funds	Restricted Funds	TOTAL 2021
	£	£	£	£	£	£
<b>COSTS OF CHARITABLE ACTIVITIES</b>						
<b>Overseas programmes</b>						
Long term development	253,939	1,392,473	1,646,412	428,199	1,683,816	2,112,015
Total multi sector programmes	253,939	1,392,473	1,646,412	428,199	1,683,816	2,112,015
<b>UK projects</b>						
Long term development	191,581	5,590	197,171	132,949	33,888	166,837
Total UK project costs	191,581	5,590	197,171	132,949	33,888	166,837
<b>TOTAL</b>	<b>445,520</b>	<b>1,398,063</b>	<b>1,843,583</b>	<b>561,148</b>	<b>1,717,704</b>	<b>2,278,852</b>

## 6. Governance costs

	2022 £	2021 £
Meeting costs and others	832	185
Audit fees	27,500	22,000
General costs	4,796	1,068
Depreciation	4	23
Staff costs	11,732	14,036
	<b>44,864</b>	<b>37,312</b>

## 7. Support costs

	Charitable Activities £	Generating Funds £	TOTAL 2022 £	Charitable Activities £	Generating Funds £	TOTAL 2021 £
Staff costs	459,130	186,097	645,227	499,059	124,765	623,824
General costs	139,874	17,121	156,995	59,950	6,441	66,391
Depreciation	79	7	86	508	46	554
	<b>599,083</b>	<b>203,225</b>	<b>802,308</b>	<b>559,517</b>	<b>131,252</b>	<b>690,769</b>

## 8. Net resources for the year

This is stated after charging:	2022 £	2021 £
Depreciation	90	577
Auditors' remuneration	27,500	22,000
Loss on disposal of fixed assets	-	-
Operating lease payments	39,000	22,577

## 9. Trustees

Trustee indemnity insurance of £1,331 (2021: £1,807) 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 from the charity during the year.

In 2022, one Trustee was reimbursed for expenses totalling £114 (2021: £461) covering travel incurred in connection with their duties.

No allowances were paid to Trustees, and no direct payments to third parties were made on their behalf.

## 10. Employees

	2022 £	2021 £
Gross wages and salaries	528,788	518,541
Employer's national insurance costs	66,787	61,354
Pension costs – defined contribution scheme	42,322	43,487
	<b>637,897</b>	<b>623,382</b>

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

	2022	2021
Programmes	5	6
Governance/ Finance	3	3

	Year ended 31 December 2022	Year ended 31 December 2021
£70000 – £80000	0	1
£81000 – £90,000	3	1
£91000 – £100000	0	1
£101000 – £120000	1	1

No remuneration was paid to any Trustee or persons connected to a Trustee in the current or prior year.

The Foundation's constitution prohibits the payment of remuneration to any of its trustees. The company pays pension at 9.5% of gross pay to each employee as part of standard terms of employment.

## 11. Tangible fixed assets

	2022 £	2021 £
<b>Cost:</b>		
At 1 January	18,510	18,510
Additions	-	-
Disposals	(18,510)	-
At 31 December	-	18,510
<b>Depreciation:</b>		
At 1 January	18,420	17,843
Disposals	(18,510)	-
Charge for the year	90	577
At 31 December	-	18,420
<b>Net book value:</b>		
At 31 December 2022	-	90
At 31 December 2021	90	667

## 12. Financial instruments

	2022 £	2021 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	-	556

## 13. Debtors

	2022 £	2021 £
Other receivables	871	4,185
Accrued income	300,215	454,066
Partner advances	-	556
Prepayments	4,507	4,767
	<b>305,593</b>	<b>463,574</b>

## 14. Creditors: Amounts due within one year

	2022 £	2021 £
Amounts due to associated undertaking	260,519	-
Accruals	58,890	55,336
Other creditors	3,838	330
	<b>323,247</b>	<b>55,666</b>

## 15. Provisions for liabilities

	2022 £	2021 £
Annual Leave		
At 1 January	27,565	33,281
Movements during the year	1,727	[5,716]
At 31 December	<b>29,292</b>	<b>27,565</b>

## 16. Contingencies and commitments

A transfer of funds from restricted to unrestricted has been effected during 2022 to correct historic errors in disclosure. As it has not been possible to provide absolute audit evidence to support the full under-disclosed restricted expenditure, a contingent liability of £57,860 is acknowledged. However the likelihood of this crystallising is

judged to be so remote that no adjustment has been made in the financial records. Retained unrestricted reserves are considered sufficient to cover this contingent liability and will be maintained at a level to accommodate this for a further 5 years.

## 17. Restricted Funds

	At 1 January 2022 £	Transfers £	Incoming Resources £	Outgoing Resources £	At 31 December 2022 £
Wellcome	-	-	313,151	313,151	-
Sightsavers	2,473	[2,473]	956,272	956,272	-
Novartis	-	-	95,289	61,814	33,475
Global Trachoma Int.	43,695	[41,689]	3,584	5,590	-
QEDJT	8,621	-	-	8,621	-
Other	110,475	[57,860]	-	52,615	-
	<b>165,264</b>	<b>[102,022]</b>	<b>1,368,296</b>	<b>1,398,063</b>	<b>33,475</b>

	At 1 January 2021 £	Transfers £	Incoming Resources £	Outgoing Resources £	At 31 December 2021 £
Sightsavers	23,561	-	1,047,804	1,068,892	2,473
Global Trachoma Int.	23,044	-	36,976	16,325	43,695
QEDJT	291,442	-	-	282,822	8,621
Other	120,475	-	339,666	349,666	110,475
	<b>458,522</b>	<b>-</b>	<b>1,424,446</b>	<b>1,717,704</b>	<b>165,264</b>

### Restricted Fund balance transfers

In February 2022 the Global Trachoma International Fund was transferred to The Foundation, so income and expenditure is recognised up to that point.

The Foundation (UK) has a level of restricted income and consequently a number of individual funds to which expenditure is allocated. In the normal course of business, a final review of the

allocation of expenditure is performed after a project has been completed. This can give rise to a transfer between funds. The Foundation have performed a review of these individual funds. This review has led to a net reallocation of historic expenditure from unrestricted to restricted and adjustments to recognised income.

## 18. Unrestricted funds

	At 1 January 2022	Transfers	Incoming Resources	Outgoing Resources	At 31 December 2022
	£	£	£	£	£
General Funds	343,083	102,022	434,797	648,745	231,157
	<b>343,083</b>	<b>102,022</b>	<b>434,797</b>	<b>648,745</b>	<b>231,157</b>

	At 1 January 2021	Transfers	Incoming Resources	Outgoing Resources	At 31 December 2021
	£	£	£	£	£
General Funds	226,932	-	808,551	692,400	343,083
	<b>226,932</b>	<b>-</b>	<b>808,551</b>	<b>692,400</b>	<b>343,083</b>

## 19. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2022 Total £	Unrestricted funds £	Restricted funds £	2021 Total £
Tangible fixed assets	-	-	-	90	-	90
Net current assets	231,158	33,475	264,633	342,993	165,264	508,257
Net Assets as at 31 December	<b>231,158</b>	<b>33,475</b>	<b>264,633</b>	<b>343,083</b>	<b>165,264</b>	<b>508,347</b>

## 20. Other financial commitments

At 31st December 2022 the charity had annual commitments under cancellable operating leases as set out below:

	2022 £	2021 £
<b>Land and buildings</b>		
Operating lease which expires in one year	<b>39,000</b>	39,000
Operating lease which expires in two to five years	<b>13,000</b>	52,000

## 21. 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.

## 22. Related party transactions

The ultimate controlling party is The Fred Hollows Foundation (registered charity ABN number: 46070556642) which is a not for profit entity and a limited company whose registered office is at Level 9, 320 Pitt Street, Sydney, NSW, Australia.

### Support received in 2022

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

- Management accounting
- Annual financial statements preparation
- Grants management support
- Legal and Governance support
- Company Secretary support
- Business Operations Support

# ACKNOWLEDGEMENTS

## UK donors and Memberships for 2022

### UK Donors (listed alphabetically)

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

- Novartis
- Sightsavers – Accelerate Programme
- Wellcome Trust

### Organisational Memberships

The Fred Hollows Foundation forms partnerships and joins alliances that have a strategic advantage in advancing its vision and mission.

On a global stage, these include:

- Official Relations with the World Health Organization (WHO)
- Special Consultative Status with the United Nations Economic and Social Council
- A member of the International Agency for the Prevention of Blindness (IAPB) and represented on the Board of Trustees, the global peak body for eye health
- A member of the International Coalition for Trachoma Control (ICTC)
- A member of the Neglected Tropical Disease NGO Network (NNN) and a member of the Executive Committee
- A member of the Uniting to Combat NTDs Partnership Consultative Forum
- A Supporting Member of the NCD Alliance
- A member of the Research for Development Impact Committee
- A signatory to Deliver for Good, a campaign initiated by Women Deliver and partners calling for better policies, programming and financial investments in girls and women
- A Member of Together 2030, a global civil society initiative engaging the 2030 Agenda for Sustainable Development

- A member of the Civil Society Engagement Mechanism of UHC 2030
- A member of the secretariat group for the United Nations Friends of Vision, a group of Member States seeking to advance eye health as a sustainable development issue
- A member of Vision for the Commonwealth, a coalition seeking to bring vision to everyone, everywhere in the Commonwealth
- Collaboration with Task Force for Global Health on the NTD safety program
- Collaboration with CBM International and Orbis International on strategic initiatives
- And Strategic Organisational Partnerships with Sightsavers International and the International Diabetes Federation.

In United Kingdom, these include:

- A member of Bond, the UK membership body for non-governmental organisations working in international development
- Shared programming with the London School of Hygiene and Tropical Medicine.



WE SEE A WORLD  
IN WHICH NO PERSON  
IS NEEDLESSLY BLIND  
OR VISION IMPAIRED.

**30**  
**YEARS**

“I’M AN OPTIMIST,  
ALWAYS, THAT THE  
WORLD CAN BE A  
BETTER PLACE.”

– Professor Fred Hollows

30  
YEARS



The Fred Hollows  
Foundation (UK)