

**Trustees' Report for the year ended 31<sup>st</sup> December 2016**

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 2016**

**Legal and administrative information**

**Board of Trustees**

R Porter (**Chair**) to 31  
May 2017

S Bell (**Treasurer**)

J Dunstan

R Wormald

**Senior Executive**

V Sarah, Global Partnerships Executive (GPE), who  
charged with the executive management of  
FHF(UK).

**Registered Office**

12-15 Crawford Mews, York Street, London W1H 1LX +44(0)207 298 2340

**Auditors**

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

**Bankers**

Royal Bank of Scotland  
15 Foregate Street Chester CH1 1HD United Kingdom

**Company number**

7193829

**UK registered charity number**

1140288

**Website**

<http://unitedkingdom.hollows.org>

**REPORT AND FINANCIAL STATEMENTS**

For the year ended 31<sup>st</sup> December 2016

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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. And 2016 was no exception. Last year we marked a turning point for the global family – we supported the delivery of more than one million eye operations and treatments in a single year. The details and many other achievements and organisational developments are outlined within the pages of this report.

We also share the news that our Chair, Richard Porter, stood down at the end of May 2017. The Trustees elected Stephen Bell as Acting Chairman for a period of 12 months by email resolution on 2 June 2017.

Richard has made a tremendous contribution to the growth and effectiveness of The Foundation, drawing on his deep experience as former CEO of Sightsavers and Executive Chair with the International Agency for the Prevention of Blindness (IAPB). His tenure as Chair was characterised by significant growth of our presence in the UK and Europe and our efforts to mobilise resources to end avoidable blindness, particularly resources focussed on the elimination of trachoma.

Under his guidance we have established new relationships with the World Health Organization, the UK Department for International Development and the European Union, nurtured productive partnerships with bodies such as The Queen Elizabeth Diamond Jubilee Trust and forged even deeper relationships with strategic global partners such as Sightsavers and the IAPB. We have constructively contributed to global forums like the WHO Global Elimination of Trachoma by 2020, the International Coalition for Trachoma Control and the NTD NGO Network and to local forums like the UK Coalition Against NTDs. And we have reached out to organisations at the global forefront of developing impact investing instruments which we hope can bring transformative change to our sector's efforts.

We are sincerely grateful for Richard's efforts to foster and guide the growth of The Fred Hollows Foundation (UK).

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 31 December 2016.

These accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust'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 or Association (latest update adopted in November 2016) 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

Acting Chair



Date: 21/09/2017

## **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 for 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 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 objects below.

### **Objectives**

The objectives are more specifically defined as:

- 1(1). To work both singly and with partners who share our vision to build comprehensive, high quality and sustainable eye health systems for individuals in Developing Countries, with a focus on ensuring that local socio-economic, cultural, political and other circumstances are addressed in project and system design, delivery and evaluation.
- 1(2). To build and support the operation and management of facilities for eye health care and for the production of equipment and/or consumables required for best practice eye health care.
- 1(3). To conduct, foster, promote, support, assist, participate and invest in research in relation to:
  - (a) the prevalence, prevention, diagnosis, causes, manifestations, treatment, management and cure of avoidable blindness amongst individuals and communities in Developing Countries;
  - (b) eye health care systems, equipment, practices and procedures; and
- 1(4). To conduct, foster, promote, support, assist, participate and invest in research and development activities for, or in respect of, any technologies relating to eye health and other health care that advance the objects of the Company and anything incidental to such technologies.

- 1(5). To conduct, foster, promote, support, assist, participate and invest in human resource development with a specific focus on building capabilities and skills in the areas of ophthalmology, ophthalmology paramedics and related skills and occupations, primary eye care, eye health administration, infrastructure support and health care.
- 1(6). To support the improvement of the health of individuals and communities in Developing Countries with a focus on eye health care through positive and strategic initiatives that build the capacity of people and their communities to participate in their own development and improve health outcomes.
- 1(7). To collaborate, cooperate, maintain relations with and assist government agencies, not-for-profit and philanthropic organisations, professional and other bodies and companies both in the United Kingdom and overseas in ways that seem incidental or conducive to the attainment of the objects of the Company or as may seem calculated directly or indirectly to benefit the Company.
- 1(8). To identify agencies and entities with objects consistent with those of the Company and enter into arrangements, partnerships and joint ventures with them to achieve these objects.
- 1(9). To increase the awareness and interest of individuals, the community, business and government in issues relating to eye health care and avoidable blindness.
- 1(10). To take such steps by personal or written appeals, private meetings, public meetings or representations to Parliament, government entities and other bodies as may be deemed expedient to promote any of the objects of the Company.
- 1(11). To establish, maintain, operate and manage public funds.
- 1(12). To raise, secure and utilise funds for the attainment of any or all objects of the Company and to do such other things as are incidental or conducive to the attainment of these objects.
- 1(13). To promote, enhance and protect, in collaboration with and in accordance with strategies and plans agreed with The Fred Hollows Foundation, the name and reputation of The Fred Hollows Foundation and its affiliates and related entities operating under that name around the world.
- 1(14). If called upon by The Fred Hollows Foundation to do so, to represent The Fred Hollows Foundation and its affiliates and related entities in the European Union and greater Europe, including in relation to dealings with EU agencies and in for a and collaborative efforts relating to the elimination of blindness, improvement of eye health systems and development in Developing Countries.

**Key achievements in 2016**

The Fred Hollows Foundation (UK) works within a global network of Fred Hollows entities domiciled elsewhere, including in Australia, Hong Kong, Kenya and New Zealand. We report our results and achievements globally.

In 2016, the following results were achieved globally:

- 1,004,975 eye operations and treatments were performed;
- Over 18 million people received antibiotic treatment for trachoma;
- 78,450 health workers received professional training;
- AUD4,466,240 million worth of equipment was supplied;
- 33 medical facilities were constructed or renovated; and
- 2.9 million school children and community members were educated in eye health.



## Achievements and Development

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During 2016 The Fred Hollows Foundation (UK) significantly increased its trachoma elimination partnerships and practice development in line with the four action areas of the organisation's Global Trachoma Initiative:

1. **Leadership and preferred practices:** The organisation supported the strategic and operational capacity of the ICTC (International Coalition for Trachoma Control) to advocate for the elimination of trachoma as a public health problem and manage significant institutional partnerships for elimination initiatives. Our Global Partnership Executive is the current Chair of the Coalition and The Fred Hollows Foundation (UK) will play a key role within the ICTC, and other global and regional alliances to support relevant activities.
2. **Research and learning:** The organisation supported operational initiatives within the global alliance for formative research to determine behaviours related to facial cleanliness which informed the development of a Stronger SAFE (Surgery, Antibiotics, Facial Cleanliness and Environmental Improvement) initiative to strengthen global practice for AFE and evaluations to ensure quality surgical outcomes. The organisation also supported the development of a new global research strategy and continued to build relationships with academic and research institutions for future project initiatives.
3. **Advocacy:** Internally the organisation works within a Global Trachoma Initiative framework for engagement to support elimination focussed programming until 2020. Externally and along with other ICTC members, the organisation:
  - Supported the development of a new advocacy tool called *Eliminating Trachoma: Accelerating Towards 2020*, used widely by the international trachoma community
  - Supported the work of the World Health Organization's departments of Neglected Tropical Disease and Public Health, Environmental and Social Determinants of Health (PHE) to encourage collaborative and partnership efforts towards trachoma elimination.
  - Participated in several international presentations, consultations, side events and workshops to focus on the role of sanitation and hygiene in the sustainable elimination of blinding trachoma.
4. **SAFE (Surgery, Antibiotics, Facial Cleanliness and Environmental Improvement) interventions:** The organisation provided technical support to national trachoma elimination programmes in Afghanistan, Australia, Cambodia, Eritrea, Ethiopia, Fiji, Kenya, Kiribati, Pakistan, Solomon Islands, Vanuatu and Vietnam. The GPE supported scale up programming in 10 countries in Africa funded by UK DFID and The Queen Diamond Jubilee Trust.

In addition, The Fred Hollows Foundation (UK) provided technical and management support to a range of Foundation teams and local partners in 21 countries to strengthen health systems for comprehensive eye care. For example:

- **In the Pacific:** The Trachoma Initiative in the Pacific is working with the Ministries of Health in Fiji, Solomon Islands, Vanuatu and Kiribati, to enable them to declare their countries trachoma-free. The programme has increased the focus on trachoma elimination within the region. It works across a number of sectors including health, communicable diseases, water, sanitation and hygiene; and contributes to health system strengthening in the region. The four and a half year project is supported by The Queen Elizabeth Diamond Jubilee Trust.

- In Ethiopia: In the country with the highest burden of trachoma, the organisation is one of several ICTC members supporting the Federal Government to strengthen the national elimination programme and to attract additional funding and programming partners. The UK Department for International Development is funding a five year programme to scale up existing SAFE interventions in four regions of the country. The organisation partnered with the Oromia Regional Health Bureau.
- In Kenya: Kenya is targeting for the elimination of blinding trachoma and implements all aspects of the SAFE strategy. Under a five year funded programme the organisation has been scaling up its programme and aims to provide TT surgeries or other appropriate interventions, distribute antibiotics across all trachoma endemic counties, implement facial cleanliness interventions and support advocacy with Water, Sanitation and Hygiene (WASH) partners. It is also supported through funding by The Queen Elizabeth Diamond Jubilee Trust.

## **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 2016 was Government aid agencies and large institutional donor development with grant applications submitted in 2016 for programming which will commence in 2016/2017.

Below are our key donors from 2016, listed alphabetically:

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

In 2016, DFID contributed £717,565 (2015: £565,565) to The Fred Hollows Foundation (UK) for trachoma mapping and or SAFE implementation activities in Ethiopia, Pakistan and The Pacific.

### **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 Trustees meeting expenses. These arrangements will be in place for the foreseeable future. In 2016 The Fred Hollows Foundation in Australia reimbursed expenses totalling £448,756 (2015: £277,583) to The Fred Hollows Foundation (UK). Amounts receivable at the year end from The Fred Hollows Foundation in Australia was £94,547 (2015: £81,082)

### **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 2016, The Queen Elizabeth Diamond Jubilee Trust contributed £2,471,560 (2015: £1,105,280) to The Fred Hollows Foundation (UK) for trachoma programming activities in Kenya and The Pacific.

### **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 2035, subject to a six month break clause. 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 2016, The Rose Foundation contributed £50,000 (2015: £60,000) to The Fred Hollows Foundation (UK).

## **Financial Review**

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In 2016, The Fred Hollows Foundation (UK) had total income of £3,888,389 (2015 £2,196,930), comprising support listed by the value of contribution in 2016:

- The Queen Elizabeth Diamond Jubilee Trust £2,471,560 (2015: £1,105,280).
- DFID – The UK Department for International Development £717,565 (2015: £565,565).
- The Fred Hollows Foundation in Australia £448,756 (2015 £277,583)
- Joy Limited, Anglo International Management Limited and Star Qualities Limited £96,000 (2015: £0).
- The Rose Foundation £50,000 (2015 £60,000).
- Evan Cornish £5,000 (2015: £0).
- Other donations from individuals, trusts and foundations £99,508 (2015: £188,502).

In 2016 the Fred Hollows Foundation (UK) incurred total expenditure of £3,861,057 (2015 £2,124,311) producing an overall surplus of £27,332 (2015: £72,619).

Total fund balances increased to £161,530 at the end of the year (2015: £134,198). Unrestricted reserves were higher at £143,777 (2015: £114,873) based on the funding model used. Restricted fund balances were £17,753 (2015: £19,325).

The significant increase in income from individual donations, trusts and foundations, compared with 2015, reflects ongoing resource mobilisation efforts in line with associated program and partnership development, organisational strategies and annual work plans.

### **Future prospects**

During 2017, the organisation anticipates the following developments:

#### **Programmatic**

- Commencing ground breaking field research in Ethiopia in partnership with The London School of Hygiene and Tropical Medicine under project title Stronger SAFE
- Commencing direct partnership activities with the WHO, under the new official relations arrangements
- Continuing to extend its development, partnerships, resource mobilisation and advocacy work in pursuit of its objectives and goals

#### **Organisational**

- During 2018, strategic contributions into The Foundation's Global Strategic Framework for 2018-2025.
- The appointment of an Acting Chair at the end of May 2017.
- Completion and lodgement of the Articles of Association, which were adopted by Trustees in 2016 to ensure that The Fred Hollows Foundation (UK) instruments are aligned with its objectives and goals
- Exploring compliance requirements to meet International Aid Transparency Initiative (IATI) registration during 2017-2018.
- Expansion of donated office space to accommodate additional staff/secondments and hosting arrangements, with the additional of at least 1 more room at the current location.

**Going concern**

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 £143,777 (2015: £114,873). Reserves are within the policy range at the end of 2016.

## **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 organisation. 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.

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 unnecessary blindness.

Trustees look to senior staff for high quality, well informed advice upon which to base discussions and decisions about the organisation's objectives, plans and strategies. The day to day running of the organisation has been delegated to the senior staff member, the Global Partnerships Executive (GPE).

### **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 seven 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 lodged with Companies House on 6 December 2016.

There are no new appointments in the year ending 31 December 2016, or up until the signing of the accounts. Richard Porter (Chair), stood down from the Board of Trustees as chair and Stephen Bell has assumed the role of acting chair.

### **Trustee induction**

Induction of new Trustees is performed by the Chair and the GPE. 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, and programmatic goals and activities. New Trustees are also presented with a copy of the National Council for Voluntary Organisation's (NCVO) The Good Trustee Guide. The induction concludes with a meeting with staff and a one-to-one meeting with the GPE to further discuss the organisation's global objectives, goals and strategies.

No new Trustees were inducted in the year ended 31 December 2016 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 group. 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 is in place through a lease until 2035. This generous support allows The Fred Hollows Foundation (UK) to maintain its premises in Central London.

## **Trustees' Report for the year ended 31<sup>st</sup> December 2016**

Company limited by guarantee, UK Registered Charity number 1140288

**The Fred Hollows Foundation (UK)**

The Fred Hollows Foundation (UK) hosts two positions, a resource mobilisation position for The Fred Hollows Foundation in Australia and a project coordination position for the International Coalition for Trachoma Control (ICTC).

During 2016, there was one additional staff member and one staff member hosted an employee from The Fred Hollows Foundation on secondment; which has increased the total number of organisational employees to five and decreased the number of hosted positions to one.

### **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, New Zealand, the United Kingdom, Kenya and most recently Hong Kong 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 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.

Through its affiliations, The Fred Hollows Foundation (UK) is an active:

- Partner of the International Agency for the Prevention of Blindness (IAPB), which supports a joint IAPB and WHO initiative - VISION 2020: The Right to Sight
- Member (and current representative on the Executive Committee) 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)
- Member (and current Chair) 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.
- A 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 GPE 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:  
12-15 Crawford Mews, York Street, London  
W1H 1LX

Signed on behalf of the Trustees



Trustee: Stephen Bell (Acting Chair)

Date: 21 September, 2017



**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.

## **Independent Auditors Report to the members of The Fred Hollows Foundation (UK) for the year ended 31st December 2016**

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We have audited the financial statements of Fred Hollows Foundation (UK) for the year ended 31 December 2016 which comprise the statement of financial activities, the balance sheet and the related notes 1 to 21. 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".

This report is made solely to the 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 company's members those matters we are required to state to them in an auditors' 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.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the [describe the annual report] to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on 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 31 December 2016 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), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland; and
- ▶ have been prepared in accordance with the requirements of the Companies Act 2006.

### **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 is consistent with the financial statements.


- ▶ The Trustees' Report has 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 Company and its environment obtained in the course of the audit, we have identified no material misstatements in 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.



**Stuart Darrington**  
*(Senior statutory auditor)*  
**for and on behalf of Ernst & Young LLP, Statutory Auditor**  
London  
22.10.9./2017

**STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure account)**For the year ended 31<sup>st</sup> December 2016

	NOTE	Unrestricted Funds £	Restricted Funds £	TOTAL 2016 £	TOTAL 2015 £
<b>INCOME FROM:</b>					
Donations & Intercompany support		477,660	-	477,660	342,612
Charitable Activities		-	3,403,536	3,403,536	1,730,845
Other income		7,193	-	7,193	123,473
<b>TOTAL INCOME</b>	<b>3</b>	<b>484,853</b>	<b>3,403,536</b>	<b>3,888,389</b>	<b>2,196,930</b>
<b>EXPENDITURE ON:</b>					
<u>Raising funds</u>	4	88,440	4,125	92,565	49,066
<u>Charitable activities</u>	5	367,509	3,400,983	3,768,492	2,075,245
<b>TOTAL EXPENDITURE</b>		<b>455,949</b>	<b>3,405,108</b>	<b>3,861,057</b>	<b>2,124,311</b>
NET INCOME/ (EXPENDITURE)	8	28,904	(1,572)	27,332	72,619
Total opening funds		114,873	19,325	134,198	61,579
<b>TOTAL CLOSING FUNDS</b>		<b>143,777</b>	<b>17,753</b>	<b>161,530</b>	<b>134,198</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 2016

	NOTE	TOTAL 2016 £	TOTAL 2015 £
<b>Fixed Assets</b>			
Tangible assets	11	7,638	11,382
		<u>7,638</u>	<u>11,382</u>
<b>Current Assets</b>			
Debtors	13	241,779	157,862
Cash at the bank and in hand		1,159,930	1,509,180
		<u>1,401,709</u>	<u>1,667,042</u>
<b>Creditors: Amounts falling due within one year</b>	14	<u>(1,230,050)</u>	<u>(1,529,417)</u>
<b>Net current assets</b>		<u>171,659</u>	<u>137,625</u>
<b>Total assets less current liabilities</b>		<u>179,297</u>	<u>149,007</u>
Provisions for liabilities and charges	15	<u>(17,767)</u>	<u>(14,809)</u>
<b>TOTAL NET ASSETS</b>		<u>161,530</u>	<u>134,198</u>
<b>THE FUNDS OF THE CHARITY:</b>			
Restricted funds	17	17,753	19,325
Unrestricted funds: General funds		143,777	114,873
		<u>161,530</u>	<u>134,198</u>
<b>TOTAL FUNDS</b>		<u>161,530</u>	<u>134,198</u>

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

These financial statements were approved by the Board of trustees on 14 September, 2017 and signed on its behalf by:

.....*Stephen Bell*

Trustee: Stephen Bell, Acting Chair

Date: 21 September 2017

The notes on pages 23 to 34 form part of these financial statements

Company registration no: 7193829

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31<sup>st</sup> December 2016**

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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 12-15 Crawford Mews, York Street, London, W1H 1LX. 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 trust 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 trust. 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 2016 are the first 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. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The financial statements 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 FRS102 rather than the version referred to in the Regulations which has since been withdrawn.

As permitted by FRS 101, 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**

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

**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.

## **NOTES TO THE FINANCIAL STATEMENTS**

### **For the year ended 31<sup>st</sup> December 2016**

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#### **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.

#### **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.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> December 2016

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

An annual impairment review is carried out with no impairments required in the year (2015 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 trust 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 trust's balance sheet when the trust 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.



**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31<sup>st</sup> December 2016**

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***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 trust'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.

**1.12. 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 Trust 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 trust 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 trust'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 2016

	Unrestricted Funds £	Restricted Funds £	TOTAL 2016 £	TOTAL 2015 £
<b>3. Income Received</b>				
a) General donations & intercompany support				
General Donations	28,904	-	28,904	65,029
Fred Hollows Foundation Australia	448,756	-	448,756	277,583
b) Charitable Activities				
Rose Foundation	-	50,000	50,000	60,000
DFID	-	717,565	717,565	565,565
The Queen Elizabeth Diamond Jubilee Trust	-	2,471,560	2,471,560	1,105,280
Other	7,193	164,411	171,604	123,473
	<u>484,853</u>	<u>3,403,536</u>	<u>3,888,389</u>	<u>2,196,930</u>

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

	Unrestricted Funds £	Restricted Funds £	TOTAL 2016 £	TOTAL 2015 £
Institutional funding: public bodies	-	717,565	717,565	565,565
Institutional funding: private organisations	-	2,471,560	2,471,560	1,105,280
<b><u>Support for UK projects</u></b>	484,853	214,411	699,264	526,085
	<u>484,853</u>	<u>3,403,536</u>	<u>3,888,389</u>	<u>2,196,930</u>

**NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31<sup>st</sup> December 2016**4. Expenditure on raising funds**

	Direct Costs £	Staff Costs £	Support Costs £	TOTAL 2016 £	TOTAL 2015 £
Institutional fundraising activities	-	51,701	16,335	68,035	37,290
Other fundraising activities	3,045	6,803	2,149	11,997	4,907
Communication & PR	-	9,524	3,009	12,533	6,869
<i>Total expenditure on raising funds</i>	<u>3,045</u>	<u>68,027</u>	<u>21,493</u>	<u>92,565</u>	<u>49,066</u>

**5. Total expenditure on charitable activities**

	Unrestricted Funds £	Restricted Funds £	TOTAL 2016 £	TOTAL 2015 £
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**COSTS OF CHARITABLE ACTIVITIES****Overseas programmes**

-Long term development	194,793	3,243,414	3,438,207	1,879,669
<i>Total multi sector programmes</i>	<u>194,793</u>	<u>3,243,414</u>	<u>3,438,207</u>	<u>1,879,669</u>

**UK projects**

	Unrestricted Funds £	Restricted Funds £	TOTAL 2016 £	TOTAL 2015 £
Long term development	172,716	157,569	330,285	195,576
<i>Total UK project costs</i>	<u>172,716</u>	<u>157,569</u>	<u>330,285</u>	<u>195,576</u>

	Direct costs £	Staff Costs £	Support Costs £	Total 2016 £	Total 2015 £
Overseas programmes	-	194,793	3,243,414	3,438,207	1,879,669
Multi-sector overseas programmes funded by voluntary donations	-	194,793	3,243,414	3,438,207	1,879,669
UK projects	-	172,616	157,569	330,258	195,576

**6. Governance costs**

	2016 £	2015 £
Meeting costs and others	8,023	3,227
Audit fees	15,000	12,500
Support costs	10,748	10,122
Staff costs	850	448
	<u>34,621</u>	<u>26,297</u>

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31<sup>st</sup> December 2016****7. Support Costs**

	<b>Charitable Activities</b>	<b>Generating Funds</b>	<b>TOTAL 2016</b>	<b>TOTAL 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	169,228	83,411	252,639	174,830
General costs	67,200	9,154	76,354	68,717
Depreciation	2,522	-	2,522	4,309
Governance costs	10,778	-	10,778	10,122
	<u>249,728</u>	<u>92,565</u>	<u>342,293</u>	<u>257,978</u>

**8. Net resources for the year****This is stated after charging:**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Depreciation	2,522	4,309
Auditors' remuneration	15,000	12,500
Accountancy	4,429	3,171
Loss on disposal of fixed assets	2,808	-
Operating lease payments	26,083	26,400

**9. Trustees**

Trustee indemnity insurance of £2,784 (2015 £2,690) is paid by The Fred Hollows Foundation in Australia 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.

**10. Employees**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Gross wages and salaries	225,574	185,118
Employer's national insurance costs	24,804	21,922
Pension costs – defined contribution scheme	11,289	7,792
	<u>261,667</u>	<u>214,832</u>

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

Programmes	4	4
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One employee received remuneration in excess of £100,000 but not exceeding £110,000 (2015: 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.

**NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31<sup>st</sup> December 2016**11. Tangible fixed assets****Equipment**

£

**Cost:**

At 1 January 2016	20,701
Additions	2,346
Disposals	(8,563)
At 31 December 2016	<u>14,484</u>

**Depreciation:**

At 1 January 2016	9,319
Charge for the year	2,522
Disposals	(4,995)
At 31 December 2016	<u>6,846</u>

**Net book value:**

At 31 December 2016	<u>7,638</u>
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At 31 December 2015	<u>11,382</u>
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**12. Financial instruments****2016****2015**

£

£

**Carrying amount of financial assets**

Debt instruments measured at amortised cost	98,269	147,544
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**Carrying amount of financial liabilities**

Measured at amortised cost	129,353	118,307
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The charity holds only basic financial instruments.

**13. Debtors****2016****2015**

£

£

Debtors receivable	-	8,381
Amounts due from associated undertakings	94,547	81,082
Prepayments	11,282	10,318
Accrued income	132,228	58,081
Other receivables	3,721	-
	<u>241,779</u>	<u>157,862</u>

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31st December 2016

<b>14. Creditors: Amounts due within one year</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Charitable activities – Amounts due to associated undertaking	694,612	447,686
Accruals	16,000	10,800
Deferred income	519,438	1,070,931
	<u>1,230,050</u>	<u>1,529,417</u>

<b>15. Provisions for Liabilities</b>	<i>Annual Leave</i>
	<i>£</i>
At 1 January 2016	14,809
Arising during the year	2,598
At 31 December 2016	<u>17,767</u>

**16. Deferred income**

	<b>Brought Forward</b>	<b>Amounts Released</b>	<b>Amounts Deferred</b>	<b>Carried Forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
The Queen Elizabeth Diamond Jubilee Trust	685,744	1,669,619	2,196,946	158,417
DFID	380,187	671,725	775,647	276,265
Other	5,000	244,165	164,410	84,755
	<u>1,070,931</u>	<u>2,585,509</u>	<u>3,269,231</u>	<u>519,437</u>

**17. Restricted Funds**

	<b>Brought Forward</b>	<b>Income Received</b>	<b>Expenditure</b>	<b>Carried Forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	
The Rose Foundation	19,325	50,000	51,577	17,748
DFID	-	717,565	717,560	5
The Queen Elizabeth Diamond Jubilee Trust	-	2,471,560	2,471,560	-
Other	-	164,411	164,411	-
	<u>19,325</u>	<u>3,403,536</u>	<u>3,405,108</u>	<u>17,753</u>

**NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31<sup>st</sup> December 2016**18. Analysis of net assets between funds**

Total fixed assets	Unrestricted Funds £	Restricted Funds £	2016 £	2015 £
Tangible fixed assets	6,280	1,358	7,638	11,382
Net current assets	137,497	16,395	153,892	122,816
Net assets at 31 <sup>st</sup> December 2016	143,777	17,753	161,530	134,198

**19. Other financial commitments**

At 31 December 2016 the charity had annual commitments under cancellable operating leases as set out below:

Land and buildings	2016 £	2015 £
Operating lease which expires February 2035 however can be terminated with 6 months of notice:	15,000	15,000

**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****Remuneration of key management personnel**

The remuneration of key management personnel is as follows:

	2016 £	2015 £
Aggregate compensation	108,122	103,939

The ultimate controlling party is Fred Hollows Foundation 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 2018, Australia. There was a balance due to Fred Hollows Foundation Australia at 31 December 2016 of £600,065. No interest is paid on this balance which is repaid on a monthly basis.

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31st December 2016**

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

- Book keeping
- Management accounting
- Annual financial statements preparation
- Indemnity insurance premium.

The following services in 2016 were carried out by Frank Hirth PLC

- Payroll.
- Fees relating to these services in 2016 were £2,523 (2015: £2,831).



**Acknowledgements**

**The Fred Hollows Foundation UK donors and memberships for 2016**

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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:**

Anglo International Management Limited

Evan Cornish Foundation

Global partnership for Education and The World Bank

Joy Limited

L'OCCITANE Foundation

The Rose Foundation

Mr Spears

Star Qualities Limited

**Organisational Memberships**

The Fred Hollows Foundation (UK) is an active:

- Member (and current representative on the Executive Committee) 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)
- Member (and current Chair) 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.
- A 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.