



**Moorfields  
Eye Charity**

## **Annual report and financial statements**

**For the year ended  
31 March 2021**

**Charity registration number: 1140679  
Company number: 7543237**

This page had been left intentionally blank

<b>Contents</b>	<b>Page</b>
Trustees, reference and administrative details of the Charity	2
Welcome from the Chair	3
Introduction from the Chief Executive	4
Strategic report	
Our strategy	5
Performance and activities in the year	6 - 14
Reserves	15
Going concern	15
Acknowledgements	15 - 16
Governance	
Constitution	17
Objects and mission	17
Structure, governance and management	15 - 20
Process for awarding grants	20
Fundraising approach and our supporter promise	20
Fundraising regulation and complaints	22
Risks and uncertainties	22
Environment, employees and social, community and human rights issues	23
Charity governance code	26
Statement of Trustees' responsibilities	27
Independent Auditors' report	28 - 30
Financial statements	
Statement of financial activities	31
Income and expenditure account	32
Balance sheet	33
Cashflow statement	34
Notes to the financial statements	35 - 57

## Moorfields Eye Charity

### Annual report and financial statements Year ended 31 March 2021

---

<b>Trustees</b>	Mervyn Walker (elected), Chair Andrew Ballheimer (elected) Tony Briam (elected) Noland Carter (elected) Dr Lee-Ann Coleman (elected) Vicky Hastings (elected) Michael Izza (elected), Vice Chair Dr Robert Jones (appointed) Professor Carrie MacEwen (elected) Colin Maclean OBE (elected) Johanna Moss (appointed ex officio) David Probert (appointed ex officio) Dr Virginia Spence-Jones (appointed) (retired 8 December 2020) Nick Strouthidis (appointed ex-officio) (retired 1 January 2021) Professor Sir Eric Thomas (elected) Dr Louisa Wickham (appointed ex-officio 4 January 2021)
<b>Company registered number</b>	7543237
<b>Charity registered number</b>	1140679
<b>Registered office</b>	162 City Road, London, EC1V 2PD
<b>Principal office</b>	Kemp House, 152-160 City Road, London, EC1V 2PD
<b>Management group</b>	Robert Dufton Chief executive and company secretary Gordon Burns Director of finance and resources Rachel Jones Director of development Dr Ailish Murray Director of grants and research
<b>Auditors</b>	Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG
<b>Bankers</b>	Barclays Bank, 1 Churchill Place, Canary Wharf, London, E14 5HP The Co-operative Bank, 2nd Floor, St Paul's House, 10 Warwick Lane, London, EC4M 7BP
<b>Solicitors</b>	Stone King LLP, Boundary House, 91 Charterhouse Street, London, EC1M 6HR
<b>Lead investment managers</b>	J P Morgan International Bank Ltd, 1 Knightsbridge, London, SW1X 7LX

## **Welcome from the Chair**

Welcome and thank you for reading our Annual Report for the year ended 31 March 2021. We have changed it a little this year to make it easier to follow and to explain more about what we do, reflecting how we are developing and maturing as a charity. I hope you like what we have to say.

This has been a very difficult year for many people and we have seen the impact of the pandemic at first hand working alongside our friends at Moorfields Eye Hospital NHS Foundation Trust (Moorfields) and at the UCL Institute of Ophthalmology (UCL). We are proud that our excellent Charity team very quickly and successfully adopted new ways of working that enabled us to maintain strong support for the vital work of both the Hospital and the Institute throughout the year. Through dedication and flexibility, and with the support from the general public given to NHS Charities Together, including our own emergency appeal, we were able to show Moorfields staff how much their hard work is appreciated. Moreover, our financial resilience and the generosity of our supporters enabled us to maintain fully our operations and staffing levels from our own resources, without any recourse to the financial support available from government.

Throughout the Charity we have tried to maintain business as usual this year. We have also spent time reviewing our governance and our ongoing strategy. We continue to develop and mature as an organisation so it was timely to examine our governance structures. Our schedules of delegation and standing financial instructions have been reviewed and refreshed and, with the help of Moore Kingston Smith, we looked at our compliance with the Charity Governance Code. We have now affirmed our commitment to the Code and implemented some early changes: established a Nominations Committee to lead on skills analysis and succession planning; altered our Articles of Association to allow the appointment of a Vice-Chair; and committed to targets for ourselves to achieve greater diversity in board and committee membership. The first item of business for our Nominations Committee was to consider the role of Vice-Chair and I would like to thank Michael Izza for taking on the role.

Our objectives are the relief of sickness or suffering and the advancement of health. We directly meet these objectives by improving eye health by funding innovation in research, education and care to benefit Moorfields' patients. We have realised that we can also have a wider impact through how we invest our funds. This year we have committed to change how we invest, with the aim of moving as far as we can towards sustainable investments. The restructuring of our investments was complete shortly after the year end. We are proud to be amongst those charities achieving social as well as financial returns from investments.

We are not a charity that has service delivery activities but we recognise the importance of our commitment to safeguarding. Our lead Trustee for this area had been Virginia Spence-Jones, who stepped down from the Board in December 2020 to be replaced in this role by Tony Briam. We are grateful to Virginia for her contributions as a trustee (and for many years she has also been Vice chair of our sister charity, Friends of Moorfields Eye Hospital, from whose board she also stepped down). I am delighted that Virginia agreed to continue in a role as safeguarding advisor, supporting Tony and the leadership team.

Our first strategic document was published in 2017 and during this year we reviewed what we have achieved, compared to our strategic aims. We have made good progress but we have reconsidered the relevance of each objective, sharpening our focus where necessary. Our new strategy has additional emphasis on funding innovative equipment to improve clinical care, and supporting the development and wellbeing of Moorfields staff, as we know that contributes to better patient outcomes.

I would like to reiterate our thanks to the leadership team and all our Charity staff for their achievements this year despite the very challenging circumstances.

**Mervyn Walker**  
**Chair**  
**Moorfields Eye Charity**

## **Introduction from the Chief Executive**

It's been a hugely challenging last year for society as whole and the NHS in particular because of the Covid-19 pandemic. The charity faced challenges too but, thanks to planning ahead and the flexibility of staff, we were able to move swiftly to working effectively from home, only coming into the office when necessary. We focused our energies on providing additional support to Moorfields, enabling their staff to continue to provide outstanding patient care, and to UCL so that their researchers could, where possible, maintain progress with vital research. We also sought to meet our regular objectives and, in particular, working in partnership with Moorfields and UCL to achieve major milestones for Oriel, the joint project to create an advanced centre for world-leading eye health near St Pancras. Our annual report highlights the achievements in the year, both how we have met the additional demands caused by the pandemic and our regular objectives.

The magnificent response from our supporters to our own coronavirus emergency appeal and generous support from NHS Charities Together allowed us to thank every member of Moorfields staff and provide a gift in appreciation of their work. We provided additional thanks to all the Moorfields staff who were deployed to other NHS trusts, including those who worked at NHS Nightingale in London and at other trusts providing critical care to patients. We have been able to fund improvements to staff rooms in different parts of the Moorfields network and the creation of a new wellbeing space for staff at Moorfields City Road. We thank NHS Charities Together and our coronavirus emergency appeal supporters.

Our support for innovation at Moorfields contributes to new ways of working. Moorfields was able to move at speed to innovation in diagnosis, including remote or tele-ophthalmology. Whilst a driver has been the safety of patients and staff, the new ways of working achieved are also more efficient. Moorfields is a leader in the development of artificial intelligence (AI) as a tool for digital innovation. The charity has played a role in this by increasing the support provided through our innovation grants. We were pleased to welcome the new Department of Digital Medicine at Moorfields.

Over the year we've awarded over £4 million in grants to support research, education and patient care at Moorfields and UCL. In particular we aim to build capacity for research by supporting researchers at critical stages of their careers. This report shows the impact of our schemes through the progress which individuals supported by the charity are making. We gave support for the first time to the UCL Department of Biomedical Engineering, working in partnership with UCL to create the Moorfields Eye Charity Chair in Advanced Ocular Imaging. We look forward to welcoming the first post-holder, Professor Marinko Sarunic, this autumn.

We are a partner with Moorfields and UCL in the project to develop Oriel. This year we have continued to make good progress: Moorfields' outline business case was approved by Government; the City Road Island site is being marketed; and the planning application for the new development near St Pancras was submitted to Camden Council. (We expect a decision to be made in the summer of 2021.) Our joint fundraising campaign for Oriel is progressing well too. Alongside new pledges, the first major capital donations were received, boosting our financial performance. These will be used in time to help pay for the construction costs. The project remains on track for Oriel to open in 2026/27.

Our staff have continued to show outstanding dedication this year, despite the challenges we have all faced. This is seen in the responses to our annual staff engagement survey. We are proud of how we compare with charities generally and increasingly with top performing charities, because we know that a highly engaged staff is the most important resource in order to meet ambitious goals.

Thank you to everyone who supports our work to improve eye health and thereby benefit and enrich the lives of people in the UK and globally. I hope you enjoy reading our annual report.

**Robert Dufton**  
**Chief Executive**  
**Moorfields Eye Charity**

The Trustees (who are also Directors for the purposes of Company law) present their annual report together with the audited financial statements of Moorfields Eye Charity (the Charity) for the year ended 31 March 2021. This report incorporates the requirements of the Strategic Report as required by Company Law.

The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements; the requirements of the charitable company's governing document; and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019).

### Our strategy

At Moorfields Eye Charity, we support pioneering eye health and the life-changing work at Moorfields and UCL – bringing early diagnoses and new treatments to people with sight loss. The number of people in the UK with sight loss is estimated to rise to 2.7 million by 2030. By 2050, the current figure will double to over 4 million. This is why we invest in research and innovation; the best patient care and world class training; it is why we're a partner in realising Oriel, the centre for advancing eye health reaching people in the UK and worldwide; it is why we are motivated by the core belief that people's sight matters.

### Our revised strategy 2021-27

Our six year strategy outlines our ambitious objectives for the charity and our role supporting the work of Moorfields and UCL to benefit Moorfields' patients. There's an emphasis on innovation in clinical care and staff wellbeing and development.

Our strategy presupposed the continued importance of philanthropic support to enable us to realise our ambitious plans for 2021-27. Key to this is the provision of a new world class facility in London's medical and scientific quarter, working in partnership with Moorfields and UCL. The facility will provide integrated clinical care, teaching and research in eye health to benefit millions of current and future patients in London, the UK and across the world. The new facility has a working title of Oriel and is referred to as such throughout this report.

We have set ourselves five main objectives, listed in order of priority:

1. Work in partnership with Moorfields and UCL to create a new world class integrated clinical care, teaching and research facility;
2. Be the leading charity for research into eye health, supporting the pioneering work of Moorfields and UCL to make new discoveries and turn new knowledge into treatments to improve eye health and wellbeing outcomes for patients of Moorfields and around the world;
3. Support Moorfields staff in the delivery of outstanding and safe patient care and patient experience;
4. Support Moorfields to share its knowledge and to inspire and develop tomorrow's experts;
5. Work with Moorfields to shape national policy to increase resources allocated to eye health.

We have two further supporting objectives:

6. Maximise sustainable and flexible support for Moorfields and UCL;
7. Attract, retain and develop talented and innovative people.

### Business model

The Charity supports research work at Moorfields and the UCL Institute of Ophthalmology which will lead to improved understanding of eye conditions and development of treatments. This work is funded through a grant application process.

The income required to meet our objectives is raised through active fundraising activities, seeking funds from donors with an interest and engagement in the work of Moorfields. The Charity is also enabled under the Charity Commission Scheme to receive donations and legacies in the name of Moorfields.

To support these activities and to provide strong governance the Charity employs staff to carry out financial, information management and governance functions. These people support the wider staff groups, the Management Group and the Trustees in their roles.

## Performance and activities in the year

A summary of our financial performance, before movements in the value of our investments, over the last five years is set out below.

Five year financial summary	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
<b>Income</b>					
Donations	6,342	4,896	3,440	2,452	2,992
Legacies	1,004	1,439	3,044	1,776	3,257
Events	135	181	255	303	318
Raffles, lotteries and other income	103	82	57	63	76
Investments	240	292	288	277	276
<b>Total Income</b>	<b>7,824</b>	<b>6,890</b>	<b>7,084</b>	<b>4,871</b>	<b>6,919</b>
<b>Expenditure</b>					
Raising funds	1,299	1,418	1,250	1,113	1,216
Charitable activities	4,376	4,472	2,253	1,850	7,635
Support and other	576	684	596	738	393
<b>Total expenditure</b>	<b>6,251</b>	<b>6,574</b>	<b>4,099</b>	<b>3,701</b>	<b>9,244</b>
<b>Net surplus/(deficit) before investment gains/(losses)</b>	<b>1,573</b>	<b>316</b>	<b>2,985</b>	<b>1,170</b>	<b>(2,325)</b>

During the year, we approved grants totalling £4.6 million (2020: £5.1 million). This figure, and the comparative figure, are stated before commitments released in each year and before adjustments for net present values in the current and prior years. The section of this report on grant activities in the year, and notes 4 and 14 of the financial statements, give details of the range of activities funded by the Charity. The level of grant awards in each year is dependent on the type, size and number of research or other projects being brought forward.

The principal funding sources in 2021, and every year, are receipts from donations £6.3 million (2020: £4.9 million) and legacies of £1.0 million (2020: £1.2 million). Major donations from trusts and individuals play a significant part in our donated income; and the impact of our capital campaign for Oriel can be seen as our donations income for both 2021 and 2020 include significant restricted donations towards the capital costs. The variability of legacy income each year is highlighted by the table above but we continue to assume an average annual income of £2 million from legacies.

Our operating costs are lower than earlier years which is a direct result of all staff working remotely, the absence of mass participation events, and the much reduced cost of communicating and fundraising through social media.



Criteria used to assess success during the year:

- Grants awarded in competition were assessed by the Scientific Advisory Panel against criteria set by the Trustees.
- Fundraising income was assessed against a budget agreed by the Trustees.
- Expenditure on fundraising, charitable activities and support costs were measured against a formally agreed budget.
- Investment returns, total returns, were measured against a three-year rolling target of CPI + 3.5% (and compared against benchmark indices for context).

## Oriel

Oriel, the proposed new centre for advancing eye health, hit several major milestones over the last year. Plans to bring eye care, research and education together in one integrated facility will see services move from their current premises on City Road to a new state-of-the-art building on the St Pancras Hospital site in the borough of Camden. This year the hospital's outline business case was approved by the Treasury, the Department for Health and Social Care and NHS England. The planning application is formally supported by Camden Council and will now be considered by the Greater London Authority, and the existing sites have been put on the market.

Moorfields has occupied its City Road building since its construction in 1899, and a combination of steadily increasing demand for its services and changes to the nature of ophthalmic treatments mean that the ageing building is no longer fit for purpose in terms of size, layout, supporting infrastructure or the quality of its fabric. The UCL Institute of Ophthalmology moved to an adjacent building in the 1980s.

If Moorfields is to continue to treat conditions that no other hospital in the country can tackle; if it is to continue to conduct outstanding and ground-breaking research into eye disease and therapeutic interventions with UCL; if it is to develop its education and training; and if it is to meet the needs of a growing patient population while enhancing the efficiency and effectiveness of the care it provides, then Moorfields and UCL need to develop a new state-of-the-art hospital, education and research facility in London at the earliest possible opportunity.

Philanthropic giving is at the heart of implementing these plans and we are delighted to already have significant support from donors and look forward to new conversations with others interested in realising our vision. The Charity, in partnership with UCL, is committed to raising £100 million (£75 million towards capital and £25 million in support of research and education) to achieve these ambitious plans. The campaign has raised over £34 million in capital commitments to date, and we are beginning to see those commitments converted into capital receipts. We hold this money separate from our general or other restricted funds ready for when we help pay for construction costs. We are very grateful to donors who have committed their support and to those interested in hearing more.

This new centre of excellence in eye health is scheduled to open in 2026-27. The planning application has been submitted and we await the outcome but we already have support from both local and central government for the outline proposals. The current site is now being actively marketed and we remain hopeful that construction on the St Pancras site will begin in 2022.

This facility, shaped to meet the needs of patients and deliver outstanding eye care, ground-breaking research and world-leading education, will harness new technologies to help accelerate diagnoses and bring new treatments to millions of patients globally.

## Grant activities

The total level of commitments made was £4.2 million which is 81% of the total budget of £5.2 million. This is a decrease from 2019/20 (97% of budget), but remains much higher than previous years where we were achieving levels of circa 50%. Over the year we have issued 51 grants (2020: 78) across 16 broad funding programmes (2020: 20).

Planned grant making commitments were £3.0 million (budget £2.7 million) and philanthropy supported grants were £1.2 million (budget £2.5 million). As in the prior year, these totals indicate that the competitive funding budget was overspent while the philanthropy supported activities was half the level projected.

The information provided here summarises the number of applications considered through the various grant-making programmes in addition to presenting the primary category of work and areas of research of the awards. This section of the report is focused on applications made and grants issued in the year.

### Overview of grants made

Grants awarded are generally to Moorfields or to UCL. Grants to UCL are mainly made to the UCL Institute of Ophthalmology; Moorfields research partners and where Moorfields researchers carry out their work.

The table below provides an overview of new grant applications and funding levels over the last year. Application numbers were down from 94 in 2019/20, the main reason for the difference being the absence of travel grants during the year. There have been a number of preliminary queries which did not materialise into full applications including a number of career development awards.

This table does not include preliminary applications which are still in discussion, or supplementary awards.

Grant Status	No.	Amount requested	Amount awarded	Average award	Maximum award	Minimum award
<b>Awarded</b>						
Moorfields	26	£290,752	£455,593	£17,523	£77,741	£609
UCL	23	£3,352,946	£3,435,432	£149,367	£819,269	£450
Other	2	£274,629	£274,629	£137,315	£249,462	£25,167
<b>Not awarded</b>						
Moorfields	5	£887,831				
UCL	1	£100,313				
<b>Total</b>	<b>57</b>	<b>£4,906,471</b>	<b>£4,165,654</b>			

### Strategy objectives

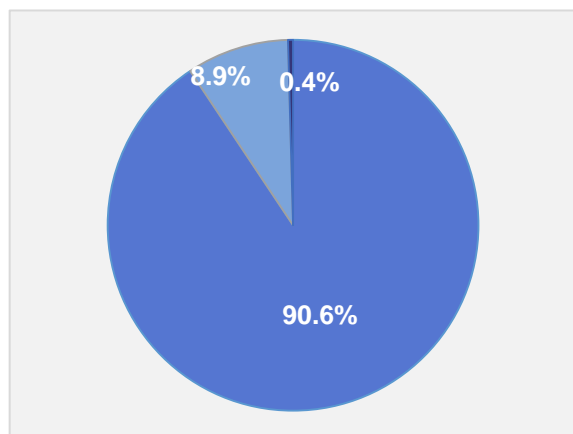
The support we provide in terms of grant making activities covers a number of the objectives outlined in our strategy.

The table below provides details on the split of awarded grants according to the objective the work primarily supports and the chart presents the percentage of total awarded across all schemes. This data shows that 90% of our grant making funds supports objective 2 - to be the leading charity for research into eye health (2020: 82%). The number of grants within objective 2 was broadly unchanged and the difference in total awarded was under £350,000.

For objective 3, there was a very slight increase in the number of grants but the level awarded in total dropped by 40%.

With no travel grants being considered due to the coronavirus lockdown and cessation of travel, the number of awarded grants and financial investment in objective 4 has dropped from £321,617 across 42 grants in 2019/20 to £17,993 over 11 grants this year.

#### Percentage spend by objective



#### Awarded grants by objective

	No.	Total awarded
Objective 2 - Be the leading charity for research into eye health	21	£3,734,035
Objective 3 - Support Moorfields staff in the delivery of outstanding and safe patient care and patient experience	15	£367,825
Objective 4 - Support sharing knowledge to inspire tomorrow's experts	11	£17,993

#### Awarded grants by host institution and programme type

Throughout the year the scientific advisory panel consider applications from the competitive grant making programmes including springboard awards, equipment and PhD studentships. Success rate for planned, competitive, grant making is 80% (2020: 69%). The table below shows the funding:

	No.	Total awarded
<b>Planned – competitive</b>	<b>23</b>	<b>2,823,722</b>
Moorfields	6	106,538
Other	1	249,462
UCL	16	2,467,721
<b>Planned: non-competitive</b>	<b>17</b>	<b>149,645</b>
Moorfields	13	119,231
Other	1	25,167
UCL	3	5,247
<b>Partnership funding</b>		
Moorfields	1	33,696
<b>Philanthropy supported grant</b>	<b>10</b>	<b>1,158,592</b>
Moorfields	6	196,128
UCL	4	962,464
<b>Grand Total</b>	<b>51</b>	<b>4,165,654</b>

## Supplements

Throughout the year supplements are considered for a number of reasons. Normally supplements are most common on philanthropy support grants where additional funding may be secured via a donor or gift aid claim. During the year there were significantly more costed extensions and supplements considered and approved due to the impact of the coronavirus, lockdown and ongoing reduced capacity. The researchers in the institute, and in particular the PhD students, were particularly affected.

Grant programme	N	Total supplemented
<b>Philanthropy supported</b>		
Career development award	1	55,000
Equipment grant [Education]	1	13,010
Research project grant	5	247,041
<b>Covid-19/lockdown support</b>		
PhD Studentship	5	81,941
Research project grant (PhD)	1	20,354
Springboard Award	1	8,960
<b>Other</b>		
Staff welfare grant	1	3,003
<b>Grand Total</b>	<b>15</b>	<b>429,309</b>

## Categories of work

All grant applications are classified according to their category of work. Looking at data from 2020/21 we have included all awarded grants.

Category of work	No.	Total awarded
Pre-clinical/basic research	18	£1,868,226
Translational research/proof of concept	14	£1,129,483
Multi-user equipment	2	£839,001
Staff	8	£191,692
Technology and innovation	3	£102,984
Patients/Public	3	£28,282
Post phase IIa trials	2	£5,321
Research travel grant	1	£665
<b>Grand Total</b>	<b>51</b>	<b>£4,165,654</b>

Pre-clinical/basic research is a primary category supported by the charity both in terms of number of grants but also overall value. This is a consistent trend across years. Compared to last year, there has been a substantial increase in grants within the translational research/proof of concept category. The majority here can be attributed to the innovations grants – many of which could equally sit within the technology and innovation category.

## Areas of research

All research grant applications are also classified according to the area(s) of research or area of work. The data analysis below is based only on what is considered the single majority/principle area. The table below shows, in ascending order of number of grants, the research areas supported by number of grants awarded. This year has seen renewed investment in neuro-ophthalmology/optic neuropathies. Age-related macular degeneration has returned to having the highest overall amount of funding. However, through supporting a Research Training Fellowship, ocular inflammatory diseases has increased from just £1k to almost £250k this year.

Area of work	Total Awarded	Average award
Age related macular degeneration	978,431	326,144
Neuro-ophthalmology/optic neuropathies	299,468	99,823
Retinal/vitreo-retinal	295,056	98,352
Ocular inflammatory diseases	249,462	249,462
Diabetic retinopathy	245,885	49,177
Staff welfare/support	191,242	27,320
Glaucoma	163,024	54,341
Corneal/ocular surface disease	153,495	38,374
Ocular motility/visual processing	136,185	136,185
Paediatrics	118,782	59,391
Genetics/inherited eye disorders	103,636	34,545
Patient experience	79,551	19,888
Macular degeneration (excluding AMD)	24,532	24,532
Ocular cancer	6,997	2,332
Education/training	3,846	1,282
Adnexal/extra-ocular	1,689	845

## Allocation of grants against funds

We endeavour to utilise the most restricted income before those funds with less restrictions. The intention is to ensure greater use of restricted donations before unrestricted income wherever possible.

## Communications activities

We launched our new re-branded website in February 2020, at a joint occasion with the Friends of Moorfields, having invested in redesign and content. In the following month we saw a 104% increase in traffic. We are now using the website as a platform to extend our activities with engaging new content about projects we fund, our impact and patients, and are sharing stories on social media to reach new audiences.

In the year we developed and are implementing a digital communications strategy. We launched an e-newsletter, increased activity on Instagram, and invested in paid search and social advertising. We are monitoring the impact of the new website and social media, increasing our use of analytics to influence digital content and increase engagement with target audiences, and continue to optimise online journeys to achieve targets.

## Fundraising activities

We are extremely grateful for the generous support we receive from our patients, staff, friends, charitable trusts and foundations, and corporate partners. During the year we have received support through:

- Major gifts from individuals, trusts and foundations, and companies.
- Legacies, where individuals have made provision to remember Moorfields in their wills.
- Individual donations, often received in response to a specific appeal.
- Regular donations, usually received on a monthly basis.
- Our winter raffle and weekly lottery.
- Our bespoke events including our sponsored walk, Eye to Eye and Moorfields Tea.
- Community fundraising such as cake sales, music concerts and skydives.
- Challenge events including abseils, runs and bike rides.
- Organisational partnerships.

## Review of fundraising performance against objectives

Income raised by our fundraising team was £7.6 million (2020: £6.6 million). The table below compares performance against the budget for the year (target) and the performance for the prior year.

	2021	Target	% Target	2020	% Change
Donations	<b>£6.34m</b>	£2.78m	228.1%	£4.90m	29.4%
Events	<b>£0.14m</b>	£0.12m	116.7%	£0.18m	(22.2%)
Legacies	<b>£1.00m</b>	£2.00m	50.0%	£1.44m	(30.6%)
Raffle and Lottery	<b>£0.08m</b>	£0.08m	100.0%	£0.08m	0%
<b>Total</b>	<b>£7.56m</b>	£4.98m	151.8%	£6.60m	14.5%

Legacy income included an accrual of £0.7 million (2020: £1.2 million). Legacy income is unpredictable and we are unable to control the amounts notified or receivable in any one year.

In light of the pandemic we requested the original fundraising income targets set for the year be reviewed. In July 2021 we considered and approved a 21% impact on fundraising income (the revised targets are included in the table above). We are pleased to have met and exceeded both our revised and our original income targets for the year.

We continue to review and amend our fundraising practices and activities, ensuring that they consistently align with best practice in governance, regulation, stewardship and communications.

## Investment activities

JP Morgan Private Bank Limited are the custodians of our total investments of £63.9 million (2020: £53.4 million). Our investment strategy for the Long term portfolio and Oriel investment is to seek a total return while accepting a moderate level of risk; the objective being to provide positive real returns for the funds we hold to support our research projects, both now and in the future. The short term portfolio is cash and term deposits needed to meet near term requirements; known obligations to our beneficiaries; commitments towards the Oriel project and working capital.

Our investment values and structure are summarised as follows:

		31 March 2021	31 March 2020
		£'000	£'000
Long term portfolio	Investment funds	£46,164	38,807
Oriel investment	Investment fund	£10,602	£9,677
Short term portfolio	Cash	£7,128	£4,891
<b>Total</b>		<b>£63,894</b>	<b>£53,375</b>

The Investment Committee provides detailed oversight of the performance of our investments and performance against our investment objectives. As part of that process the Committee conducts a rolling programme of meetings with the Charity's fund managers.

### Long term portfolio

The long term portfolio is structured as three separate elements, managed by different investment managers, under the custody of JP Morgan. Each element and manager has different investment objectives which, when combined, we consider can meet our long term investment objectives.

The values of the investments held at the year end are summarised below:

Investment Manager		31 March 2021	31 March 2020
		£'000	£'000
JP Morgan	Multi asset discretionary portfolio	£23,406	£19,496
Troy Asset Management	Absolute fund (multi asset with objective to achieve growth in real terms)	£13,719	£12,524
i-shares ETF's (2020: Artisan Partners Global Funds)	Global equity investments for a real return	£9,040	£6,787
<b>Total</b>		<b>£46,164</b>	<b>£38,807</b>

In March 2020 our portfolio suffered from a substantial fall in value due to the Covid-19 led market correction, notwithstanding the conservative positioning of all three of our active managers. As equity markets recovered we have seen a significant recovery from last year's low point and pleasingly all of our investment managers have performed well against their individual benchmarks.

The total return for the financial year was an increase of 19.6% (2020: fall of 3.9%). Our annualised three year return compared to our new performance measure, along with the ARC Charity Sterling Balanced Index on the same three year basis, are set out below:

	2021	2020
<b>Annualised average three year return</b>		
Long term portfolio	5.9%	0.1%
CPI+3.5%	5.4%	5.4%
ARC Charity Sterling Balanced Index	5.2%	(0.4%)

The last strategic review of the long term portfolio was conducted in 2017 with advice from Stanhope Capital LLP. The Investment Committee decided to conduct a further review in October 2020, again advised by Stanhope Capital LLP, taking into account: three years of investment performance; the current investment market, and the Government initiative to move away from RPI as an established measure.



The proposals, fully supported by the Board in December 2020, were:

- to move to a performance measure of CPI+3.5% over a rolling three-year period (from RPI+3.5%)
- to have our portfolio managed wherever possible on a basis that explicitly incorporates sustainability considerations

The transition to a long term portfolio focused on sustainability commenced in February 2021 when JP Morgan repositioned holdings to have an ESG bias wherever possible within their discretionary portfolio. All remaining possible transfers had taken place by 31 May 2021 and the majority of our long term portfolio is now invested on a sustainable basis.

We have retained the same overall structure of investments, and in many cases the managers, but the focus of the investments have changed. The table below shows the changes and how we have split the global equity investments between managers:

Portfolio element	Sustainable portfolio	Previous portfolio
<b>Real return/mixed assets (50%)</b>	JP Morgan (ESG biased multi asset discretionary portfolio)	JP Morgan (multi asset discretionary portfolio)
<b>Absolute funds/mixed assets (30%)</b>	Troy (Trojan Ethical Investment Fund)	Troy (Trojan Investment Fund)
<b>Global equities (20%)</b>	i-Shares (54%) (World markets SRI ETF's)	i-Shares (85%) (World markets ETF's)
	i-Shares (6%) (Emerging markets SRI ETF's)	i-Shares (15%) (Emerging markets ETF's)
	Baillie Gifford (40%) (Positive Change Fund)	

### Oriel investment

In 2020 it was agreed to place £10.0 million, formerly held as cash, with Troy Asset Management Limited for a period up to five years, hoping to achieve better returns than cash and with limited volatility. The decision was taken after assessing the amount of risk that could be taken considering the wider investment portfolio. JP Morgan are again the custodians of this investment.

The £10 million investment was made in February 2020, shortly before the market correction and resulted in a fall of 3.2% by the end of that year. The Oriel investment has achieved a return of 9.5% in 2021.

On 31 March 2021 we received a donation towards Oriel of £2.0 million. In agreement with the donor this money was added to the Oriel investment portfolio after the year end. In line with our investment policy the whole Oriel investment was moved to the Trojan Ethical Fund in April 2021.

### Short term portfolio

The short term portfolio is made up of cash and term deposit accounts held with JP Morgan. At 31 March 2021 £4.0 million of this cash was money received towards Oriel (2020: £2.0 million).



## **Reserves**

The total funds of the Charity at the end of the year were £58.0 million (2020: £48.0 million). Of these funds £6.5 million (2020: £5.4 million) were unrestricted funds.

The Trustees' policy is to hold unrestricted reserves to cover planned operating expenses for two years. Much of the charity's unrestricted income is received through legacies and investment income which are both volatile sources of income. Two years of planned operating expenditure held as reserves enables the charity to be resilient in the event of a significant reduction in income which might otherwise result in the closure of the Charity and to continue to meet committed grant awards.

For 2021 the Trustees estimate the reserves requirement to be £5.0 million (2020: £5.0 million), calculated for the year on two years of running costs included in the budget for 2021/22 (our levels of expenditure this year have been lower than expected but our 2021/22 budget assumes a return to higher levels). Actual reserves at the end of the year, being unrestricted funds less designated funds, were £6.5 million (2020: £5.4 million). The Trustees will continue to keep the amount of reserves under review.

Following the Charity's merger with Special Trustees in December 2015, funds which were formerly considered as unrestricted in Special Trustees are now restricted, as their objects are narrower than those of the Charity. The Special Trustees restricted fund stands at £23.9 million at the end of the year (2020: £19.9 million).

## **Going concern**

The reaction by the investment markets to the coronavirus crisis had a significant impact on our results for the previous year. When setting our budget for the each year we consider the impact of such an event and use this, along with other appropriate enquiries, to confirm we have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. We have considered the amount of operating cash we hold and, taking note of both our cash and investment position, we consider it is appropriate to continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies note.

## **Acknowledgements**

The charity would like to thank the growing number of individuals and organisations who have generously supported our work over the last year. This support has a significant impact on our work to support Moorfields and the UCL Institute of Ophthalmology for the benefit of current and future patients of Moorfields. We have set out below the names of some of those who have been generous to us during the year, but there are many more supporters to whom we are equally grateful.

Thanks to your help we are able to:

- Fund new equipment and pioneering research;
- Support the training of current and future researchers and healthcare professionals;
- Support the development of Moorfields' staff to ensure the care they provide is outstanding;
- Support public education about eye health;
- Improve the experience for Moorfields' patients and their families; and
- Support Moorfields' ambitious capital plans to create a world class integrated care, teaching and research facility in central London with its academic partner, UCL.

We are extremely grateful to those individuals who have generously supported the charity by remembering Moorfields Eye Charity in their will. Much of our work is supported through gifts in wills, and they are vital for the impact of our long-term support on research, patient wellbeing and education.

## **Our supporters**

We are particularly grateful to the individuals and organisations set out below, but also the many other supporters who would prefer to remain anonymous, who have supported us during the year.

The 29th May 1961 Charitable Trust	Mr and Mrs Stefanos Lekanidis
Estate of the late Amy Gillian Beck	Estate of the late Terence John Murray
Bluewater	NHS Charities Together
Estate of the late Martin Charles Broker	John and Margaret Nolan
The Carmen Butler-Charteris Charitable Trust	Oak Foundation
Estate of the late Iris Cooksley	The Mason le Page Charitable Trust
The Drayson Foundation	Estate of the late Patrick Frank Pyrah
EBM Charitable Trust	Eleanor A. Robbins
Ken Essex	Sir Alan Rudge
Estate of the late Joseph Charles Finn	The Basil Samuel Charitable Trust
Mr Gordon Gilby	Karel Sramek and Vera Sramkova
Mary Fear Hill	The Peter Stebbings Memorial Charity
The Sir Joseph Hotung Charitable Settlement	The Michael Uren Foundation
The Michael and Ilse Katz Foundation	The Alexander Pigott Wernher Memorial Trust
Mrs Rita Kay	The Miss Barbara Mary Wilmot Discretionary Trust

We would like to thank all of those people who have contributed to the Charity's continuing success:

- the staff of Moorfields and of UCL;
- our charity engagement volunteers, trustees, committee members and panel members;
- the volunteer advisors who are members of board sub-committees and the scientific advisory panel;
- the staff of the Charity, including those who left us during the year. We wish them all well in their new roles and thank them for their hard work and support during their time with us.

With all of your support we are able to ensure that Moorfields and the UCL remain at the forefront of eye care and research worldwide and have the greatest possible impact on the global eye health agenda.

### Constitution

The Charity is a company limited by guarantee (No. 7543237) and a charity registered with the Charity Commission (No. 1140679) and was formed on 3 March 2011.

Under a Charity Commission Scheme dated 31 December 2015, the assets of Special Trustees of Moorfields Eye Hospital (Regd. Charity No. 228064) ('Special Trustees') and its linked charities were transferred to the Charity. As at 31 December 2015 the Special Trustees ceased to exist and the newly merged charity also became independent of the Department of Health, it no longer being an NHS-linked charity.

### Objects and mission

The Objects of the Charity as stated in its Articles of Association are as follows:

The relief of sickness or suffering, the advancement of health and the advancement of education and research in relation to health and health-related sciences by any charitable means for the public benefit in particular but without limitation by the support of charitable purposes relating to Moorfields Eye Hospital NHS Foundation Trust.

Our mission is improving eye health by funding innovation in research, education and care to benefit Moorfields' patients. Our vision is that our support enables Moorfields and UCL to provide world-leading eye care, research and education benefiting patients across the UK and globally.

Charitable funds are typically used to support leading-edge research and education; purchase specialist equipment; develop better facilities for patients and the research infrastructure; fund specialist staff to care for patients, undertake research or carry out pioneering new roles; and fund the development and welfare of Moorfields staff.

### Public benefit statement

The Trustees confirm they have paid due regard to the Charity Commission's general guidance on public benefit and have complied with their duty under section 17 of the Charities Act 2011.

Charitable activities undertaken by the Charity are the award of grants, details of which are set out throughout this report. The Trustees are satisfied that all such activities provide a public benefit, given the relationship the charitable expenditure has to the enhancement of current and future healthcare for patients with eye problems. To give more information we now produce our Impact Report which can be found at [www.moorfieldseyecharity.org](http://www.moorfieldseyecharity.org)

Moorfields is the leading NHS eye hospital in the UK, seeing several hundred thousand patients a year and the contributions made by the Charity go to help these patients receive better treatment. We want to make a difference to the lives of people with sight loss because we know how much people value their sight. Over two million people across the UK live with sight loss – with that number expected to double over the next thirty years. This is why we invest in life-changing eye research, the best patient care and innovative training at Moorfields.

### About Moorfields Eye Hospital

Not only the leading provider of eye health services in the UK, Moorfields is a world class centre of excellence for ophthalmic research and education. The trust's reputation for providing the highest quality of ophthalmic care has developed over 200 years.

Moorfields plays a leading role in the training and education of eye care professionals, integrating with strategic partners across its network to teach the eye specialists of the future. With their partners at the UCL Institute of Ophthalmology, they are a national and international centre for research into eye conditions and treatments, leading one of the strongest and most extensive ophthalmic research programmes in the world. Moorfields and the Institute have one of the highest measures of scientific productivity and impact in the world for eye research activity.

During 2020/21, Moorfields has continued to offer emergency and urgent eye care, extending support to other London trusts, and has innovated to support patients. This has included pioneering video Accident and Emergency as well as developing over 50 video clinics to save people unnecessary trips to hospital. They have set up diagnostic hubs, to give people a series of rapid tests in just 45 minutes. Both these initiatives will benefit patients well beyond the pandemic.

Also in 2020/21 Moorfields developed cataract drives, overcoming immense logistical challenges to turn all theatres at a site over to cataract operations, successfully quadrupling the number of operations in a week at City Road.

## Structure, governance and management

### Structure

The Trustees who have served the Charity during the year and since the year-end are set out on page 2. Moorfields has the right to appoint up to seven Trustees and there can be up to eleven further elected Trustees, provided always that the elected Trustees are in the majority. The Trustees appoint the Chairman (who must be an elected Trustee) and, from March 2021, a Vice-Chair. Michael Izza kindly agreed to act as our first Vice-Chair. Decisions are taken by a majority of Trustees present at regular meetings and procedures are in place to ensure that such decisions do not enable the appointed Trustees to exercise effective control.

Elected Trustees are recruited through open recruitment when vacancies arise and nominations are agreed by all Trustees. On appointment new Trustees undertake an induction process which includes the provision of necessary documentation, meetings with the Chief Executive, other senior charity staff and with senior members of Moorfields staff. The induction is designed to ensure that new Trustees understand the role of the Charity and how it works to support Moorfields.

Dr Virginia Spence-Jones retired from the Board in December 2020 having been a trustee of the Charity since May 2012. She had been a member of our Fundraising committee, and more recently had taken on a leadership role for safeguarding at the Charity. Virginia had been very important in helping the Charity develop a closer working relationship with Friends of Moorfields for which we are very grateful. Her advocacy for good governance within the Friends of Moorfields, had been of benefit to the Charity and to our shared aims. Virginia has kindly agreed to continue her work for the Charity by becoming our adviser for safeguarding to support the Audit and Risk committee.

Dr Louisa Wickham was appointed to the Board as an appointed ex-officio Trustee following the decision by Dr Nick Strouthidis to stand down. Nick decided to step back from the role of Medical Director at Moorfields and has been replaced by Louisa. Louisa is a Consultant in vitreoretinal and retina surgery, is active in research in this area, and is involved in education thorough the Royal College of Ophthalmologists. Formerly the Medical Director of Moorfields Private, Louisa has this year played a critical role in Moorfields' response to the ongoing coronavirus pandemic – including leading Moorfields' first cataract drive which had quadrupled the number of operations in a week in September 2020.

### Committees

The Trustees have established a committee structure to support the Trustees in the governance of the Charity. Each Committee has agreed Terms of Reference setting out their areas of responsibility and the limits of their delegated powers. Any Trustee may attend any committee meeting as an observer.

Each Committee is enabled to appoint volunteer advisers as members to support our decision making and enhance the level of experience and knowledge within the membership.

The Grants Committee is supported by a Scientific Advisory Panel, who consider applications for research and innovation funding. This is explained further in our Process for awarding grants, below.

At each Investment Committee meeting there is a presentation on investment performance by at least one of the three investment managers. Joint meetings with the Audit and Risk Committee can be held to consider the risks in the investment portfolios, or to consider investment proposals.

The Remuneration and People Committee considers matters relating to human resources including policies, procedures, benefits and pay awards for all staff employed by the Charity.

The Oriel Committee meets to consider progress on the development of the new facility and to review any implications for the Charity.

The Nominations Committee was established in the year to consider membership of the Board and committees and to plan and oversee Trustee recruitment. Members of this committee are the Vice Chair and the Chairs of all other committees.

The committees, and members who served during the year, are set out below:

Audit and Risk	Fundraising	Grants	Investment	Oriel	Remuneration and People
Tony Briam (Chair)	Professor Sir Eric Thomas (Chair)	Dr Lee-Ann Coleman (Chair)	Noland Carter (Chair)	Tony Briam (Chair)	Vicky Hastings (Chair)
Michael Izza	Andrew Balheimer (from March 2021)	Professor Carrie MacEwen	Vicky Hastings	Professor Sir Eric Thomas	Colin Maclean
Mark Johnstone (to December 2020)	Alan Gosschalk	Dr Robert Jones	Mervyn Walker	Mervyn Walker	David Probert
Colin Maclean	David Probert	Dr Nick Strouthidis (to December 2020)			Mervyn Walker
Dr Virginia Spence-Jones (from February 2021)	Dr Virginia Spence-Jones (to December 2020)	Dr Louisa Wickham (from March 2021)			
Mervyn Walker	Owen Watkins				
Nominations Committee					
Mervyn Walker (Chair)	Tony Briam		Noland Carter		Dr Lee-Ann Coleman
Vicky Hastings	Michael Izza		Professor Sir Eric Thomas		

### **Governance and management**

The Trustees have delegated day to day management of the Charity to the management group comprised of the Chief Executive, supported by three senior staff. The management group all attend meetings of the Board, presenting papers and participating in our discussions.

The Chief Executive, who is also the Company Secretary, reports to the Trustees on all administrative aspects of the Charity's operations, and is also responsible for keeping the Trustees informed about charity and other relevant law and procedures. The Trustees and members of the management group attend relevant courses and seminars, to maintain the required skills for the proper governance and financial control of the Charity.

## **Process for awarding grants**

Research, innovation and equipment grants are awarded by the Grants Committee using its delegated powers. Awards are made, and in some grant programmes in competition, after applications have been: assessed by the Charity's research and grants team; then reviewed by external peer reviewers and the Charity's Scientific Advisory Panel ('the Panel') or by agreed scientific advisers.

Other grant making activities include patient welfare and staff support grants which are considered and approved for funding by the Grants Committee or, under delegated authority, by the Chief Executive or Chair of Trustees.

Where grant applications are funded from donations that are restricted to the purpose(s) outlined in an agreement with a donor, the applications are managed through a review and decision making process based on the level of funding and purpose requested. This process involves, as appropriate, external peer review, the Scientific Advisory Panel, the Grants Committee and the Chief Executive. The Director of the UCL Institute of Ophthalmology and Director of Research and Development, Moorfields Eye Hospital provide strategic and institutional review with their input being an important component of the information used in the decision making process.

External peer review is normally carried out on applications over £50,000. The Trustees retain the right to request external independent review of any application.

All funding decisions are formally recorded at a Grants Committee meeting.

The Panel meets three times a year and considers research and equipment applications in order to provide funding recommendations to the Grants Committee. The Panel also considers innovation grants on a rolling basis. The Panel reviews interim and final grant reports with increasing scrutiny being placed on the layperson's summary and outcomes.

The Panel is chaired by Professor Miles Stanford (Guy's and St Thomas') and the other independent Panel members serving during the year were:

Dr Julie Albon (Cardiff University)	Professor Irene Gottlob (Leicester University)	Professor Michael Paques (Institut de la Vision, Paris)
Professor Matthew Campbell (Trinity College Dublin)	Professor Breandán Kennedy (University College Dublin)	Professor Enrica Strettoi (Institute of Neuroscience, Pisa)
Professor Chris Dickinson (Manchester University)	Professor Ann Moore (University of Brighton)	Professor Robin Walker (Royal Holloway)
Professor Ursula Gallagher (CQC, Deputy chief inspector PMS and integrated care and nurse lead, London)	Professor Luminita Paraoan (University of Liverpool)	Professor Chris Watkins (Royal Holloway)

## **Fundraising approach and our supporter promise**

We are extremely grateful for the generous support we receive from our supporters, patients, staff, friends, charitable trusts and foundations, and corporate partners. This support enables the funding of new equipment and pioneering research. It also supports the training of current and future researchers and healthcare professionals, development of Moorfields' staff to ensure the care they provide is outstanding, public education about eye health, and improving the experience for Moorfields' patients and their families. In addition it supports our key strategic priority to create a world class integrated care, teaching and research facility in central London, in partnership with Moorfields and UCL.



We are committed to providing our supporters with the very best donor care. We want our supporters to feel that their support is recognised and valued and that they are kept updated on how charitable support is helping to shape the future of eye care. Our supporters are critical to our success. We are fully committed to being transparent and accountable to them. We actively ask our supporters how they would like to hear from us and what they would like to hear about ensuring that our communications are targeted and of interest.

Our relationship with our supporters is of the utmost importance to us and is reflected in our supporter promise:

**We value your donations and will keep you informed**

- We value every gift we receive, large and small, and seek to acknowledge and send thanks for all donations in a timely manner unless you specifically ask us not to.
- We will be transparent about how we use your donations and we will always put your gift to work as quickly as we can.
- We will share news about Moorfields and UCL, the hospital's academic partner. We will also keep you informed about how charitable donations are benefitting patients and people with sight problems further afield.

**We respect your right to privacy**

- We rely on legitimate interest to send marketing materials by post. In addition, in line with your preferences, we may communicate with you by post, email, text or telephone. If we phone you, we will always check first that you are happy to speak to us and that it is a convenient time to call.
- We will respect your wishes, so if you ask us not to contact you we won't, unless it's a legal requirement.
- We only allow authorised agents who work on our behalf to access your personal data and will never exchange your details with, or sell or rent your data to, any other commercial or charitable organisations. We have a Data Protection Policy (DPP) in place, detailing the ways in which the charity may process your data and how you can manage this. Our DPP can be viewed on our website and information on how we process data is available on request.

**We will take accountability for our actions**

- We will always take action if any external supplier acting on behalf of Moorfields Eye Charity fails to meet our standards.
- When we get things wrong, we will be up front about our mistakes, apologise and act quickly to fix them.

Our fundraising activity is focused on the following key areas:

- Major gifts from individuals (both from existing and new supporters (both from within and outside our current supporter and peer networks)), charitable trusts and foundations (through peer links, existing relationships, and through formal application procedures), and companies (through registered giving vehicles, via staff engagement, through formal application procedures and through peer links) with an interest in our work at a significant financial level.
- Legacies, through raising awareness around gifts in wills (both to existing supporters, visitors to the hospital and promoted to the wider public through our website and social media channels), keeping in touch with known legacy pledgers (with events such as the legacy afternoon tea and through a newly launched Visionaries circle, for legacy pledgers), and through the ongoing development of an engagement programme for those who have told us that they have, or intend to, remember Moorfields in their wills.

- Individual donations, often received in response to specific appeals (targeted at existing supporters and friends) or through awareness raising of the charity undertaken by Moorfields Eye Hospital to its patients, visitors and trust membership.
- Regular donations, usually received on a monthly basis.
- Our winter raffle (promoted to our existing supporters, within the hospital and through the charity's website) and our weekly lottery programme (promoted in the same way we promote our raffle).
- Eye to Eye, our flagship bespoke sponsored walk (marketed to existing supporters, through the charity's website, patients and staff, and promoted to local schools and businesses, and to the wider public through our social media channels).
- Community fundraising, providing support and information for people wishing to raise funds independently for the charity through events they organise themselves such as cake sales, music concerts and skydives.
- Challenge events including nationally organised runs and bike rides.
- Organisational partnerships including sponsorship and the donation of products for our fundraising events.

Our activities, and the processes which underpin them, are conducted under the legal basis of either consent or legitimate interest, as outlined in our data protection and fair processing policies.

We are committed to continually developing and enhancing our supporters' engagement and experience with Moorfields Eye Charity and to exploring new and innovative ways of generating funds, so that together, we can continue to support Moorfields to discover, develop and deliver the best eye care.

### Fundraising regulation and complaints

The charitable sector has been under particular scrutiny over its approach to raising funds and communicating with potential supporters. We are aware of the need to protect vulnerable persons in any fundraising we undertake and are continually taking steps to ensure our fundraising approach takes this into account. We continually review our methods of fundraising and communications to ensure that our approaches are appropriate, that we provide our supporters with the very best donor care and that we are compliant with both best practice and legislation.

We are a member of the Fundraising Regulator and fully comply with all relevant laws including the Data Protection Act 1998, the General Data Protection Regulation, and the Privacy and Communications Regulations 2003. We also screen against the Fundraising Preference Service.

We always strive for best practice in our fundraising and take complaints very seriously. Between 1 April 2020 and 31 March 2021, we received two complaints about fundraising activity we undertook (2020: six). Each complaint is investigated and answered in an appropriate and timely manner in line with the charity's complaints policy. All our complaints are reported to the Fundraising Committee and in summary to the Audit and Risk Committee.

### Risks and uncertainties

The Trustees consider the major strategic, business and operational risks that the Charity faces. During the year the Trustees have continued to review the Risk Policy and the methodology for recording and assessing risks faced by the Charity. Regular reports are produced so that all necessary steps can be taken promptly to raise awareness and to manage any risks.

At the beginning of the year, like many other organisations, we were impacted by the outbreak coronavirus pandemic. We supported our staff to enable them to work from home and we recognise in doing so that we had to relax some of our procedures for maintaining internal control. With the vigilance of our staff and heightened awareness of risks we have not seen any instances of weakness or malpractice.



We focussed our activities supporting Moorfields and UCL: the NHS staff working through this crisis; patient care now and into the future; and continuing to invest in ground-breaking research and training. This included giving up our offices for socially distanced use by hospital staff.

The work we have done and surveys we have undertaken with our staff will help to ensure we can be as robust in the face of any future event of this kind.

Our commitment to the development of Oriel is subject to many potential development, financial and political risks. The progress made in the financial year towards the creation of the new facility, including support from the general public and both central and local government, is testament to the quality of submissions made to date. We continue to monitor the risks and provide support to our partners as they focus on designing a fit-for-purpose, truly integrated new facility. It will enable the impact of new technologies and advances in research, bringing quicker diagnoses and new treatments to patients in the UK and around the world.

Our income is subject to the risk of volatility. We rely on the generosity and philanthropy of individuals and organisations for our fundraising; and our legacy income can never be predictable by its very nature. We work hard to engage with our supporters and explain our work to show how their generosity has a positive impact for people's eye health. In this way we aim to maintain and grow our levels of support. We are always grateful where people have told us they wish to remember us in their will and when the time comes we are careful to recognise as income only those amounts that we can be sure will be received.

Other than grant awards, the most significant expenditure incurred each year is in relation to staff costs. The Charity faces the risk of increasing costs through salary pressure, as well as rises in the purchase price of other supplies. Salaries are set at the start of each year and where practical the price of other supplies is agreed in advance through the use of supplier quotations and tendering.

The major assets of the Charity are the fixed asset investments. We accept a moderate degree of risk to achieve the levels of return we look to achieve. Market conditions for our investment portfolio remain volatile and uncertain but the Investment Committee works with our investment advisors and investment managers to ensure that we are able to react to significant unforeseen events.

The Charity monitors the fundraising and data protection regulatory environment and continues to review and revise policies to ensure we meet any new requirements and to minimise the impact of changes on our operating activities.

### **Environment, employees and social, community and human rights issues.**

The Charity follows the Moorfields policies on the environment, employees and social, community and human rights issues. With the help of all our staff we have developed and produced a full range of human resources policies and our own staff handbook. We operate in the hospital and receive environmental and estates services from Moorfields under a service level agreement.

As part of the review of our Investment Policy and strategy we have considered the role our investment activity can have in achieving our charitable objectives. The Trustees aim to ensure investments are managed in a responsible manner, looking to integrate environmental, social and governance issues into investment decision making, including the appointment of suitable third-party managers, and prioritising managers who engage in ongoing stewardship with their investee companies. The Trustees believe that well-run companies which promote sustainable environmental, social and governance policies will ultimately deliver above-average long term returns to their investors and therefore consider that this approach is consistent with maximising its long-term investment performance.

The Trustees are working with the investment managers and advisers to establish a structure for the long term portfolio that:

- Includes negative screening of companies that generate revenues from tobacco and other ethically/socially unacceptable areas of activity;

- Includes portfolios that are biased towards companies with good environmental, social and governance policies and practices or providing solutions for society's problems;
- Considers impact investments focussing on companies providing solutions for society's problems, with emphasis on social impact rather than financial return.

Our investment managers have acted on our request to move towards this sustainable investment approach and by 31 May 2021 we had moved as much of our investments as possible towards this basis. We will continue to monitor progress as further sustainable investment opportunities become available across all of our investments.

In March 2021 we undertook our fourth annual survey of our employees. We again used Birdsong, and the same survey questions, to enable comparison of our results with those of previous years, of all charities and the results of the top performing charities. We use outcomes and learning from these surveys to develop and implement plans to meet key areas of concern that are raised.

This year we also carried out a mid-year survey to understand the impact of the lockdown on work and on wellbeing. We repeated this in the March survey allowing us to understand how that wellbeing may have changed.

In their findings report, Birdsong tell us:

"Moorfields Eye Charity continues to perform outstandingly well against Birdsong's standard Charity Pulse and the Top Performers benchmark, making it one of the very highest performing organisations across all of Birdsong's surveys over the past three years. It is also one of the only organisations to demonstrate such a high continued rate of improvement in staff satisfaction year on year. The results of the 2021 staff survey depict a strongly engaged workforce and impressive levels of staff satisfaction across multiple categories. It is clear that the team are responding well to the care and commitment given by the leadership to try and make Moorfields Eye Charity as good a place to work as possible."

We still have some areas to look at and we will work on these in the coming months. We will be considering the full results at our meeting in July 2021, but we are very proud of how we compare against the benchmarks.

### Diversity

The Board and management group are made up as follows:

As at the date of this report	Total	Male	Female
Trustees (Directors)	14	9	5
Senior managers	4	2	2

### Remuneration

The Remuneration and People Committee has responsibility for considering all aspects of remuneration for the Charity, providing recommendations to the Board where necessary. Under our remuneration policy we aim to pay our staff fairly for the work they carry out with reference to their skills and experience and to pay competitive market-median salaries in the charity sector for staff who are fully competent performers.

The policy specifies that from time to time we will commission a formal and substantive benchmarking of remuneration. In 2020 we had carried out an independent evaluation and benchmarking of all our job descriptions, establishing where our salaries compared with other charities of our type, size and location. The results showed our salaries were comparable with our market and at or near the median for comparators. We are pleased to know the salaries we pay are fair.

Following the review we introduced a competency pay progression scheme from April 2020, enabling appropriate pay for staff who progress in their specific role from entry level to experienced and fully competent performers.

The decision to award any overall increase in salaries is made by the committee on behalf of the Board taking account of a wide range of different factors including: affordability; overall financial viability and any financial constraints influencing the charity; our performance as an organisation; and the external market, including inflation, wider economic conditions and pay awards.

Decisions on the salary of members of the management group are taken by the committee on the recommendation of the Chief executive, other than in respect of his own salary.

We aim to operate a fair and transparent pay system based on objective criteria and free from gender bias. As part of our commitment, we believe it is appropriate to show ratios relating to salary fairness each year, despite having no requirement to do so because of the size of our workforce. The small number of employees means we can see volatility in our ratios, with small changes in a year creating wide variations in the results.

The remuneration ratio (defined as the multiple between the highest pay to median pay), is widely considered to be a good indicator of pay fairness. Basing our information on 31 March each year, the median salary for our staff is calculated as £34,900 (2020: £36,162). We employ a relatively higher number of medium/higher paid specialist staff as we are not a service delivery charity, which gives us a relatively high median compared with the charity sector as a whole. The highest salary in the year (which was paid to the Chief Executive) was £109,326 (2020: £107,182), which gives the Charity's remuneration ratio as 3.13:1 (2020: 2.96:1).

Another measure of pay fairness is Low Pay/High Pay Remuneration ratio. The most common calculations are:

- Compare the mean of the lowest paid 10% of staff with the mean of the highest paid 10%. We have used the three highest and three lowest for our calculations giving a ratio of 4.2:1 (2020: 4.1:1);
- Compare the lowest with the highest paid member of staff, giving a ratio of 5.22:1 (2020: 5.37:1).

The proportion of women employed in each pay quartile is as follows:

Quartile	Percentage who are women	
	2021	2020
Top quartile (highest paid)	67%	67%
Upper middle	86%	67%
Lower middle	71%	71%
Lower quartile (lowest paid)	71%	71%
All staff	74%	69%

Comparing the median salary for male staff with the median for female staff gives a gender pay ratio of 1.00% (2020: 1.06%).

### **Charity Governance Code**

We asked Moore Kingston Smith to help us review our governance with particular reference the consideration of the extent to which we are compliant with the Charity Governance Code. The Board performed well across the seven key principles in the code but we recognised the following areas for action:

- The size of the Board exceeds that recommended by the Code. Our Articles of Association provide for up to 20 trustees, made up of elected and appointed Trustees, and there are currently 15. When the Charity merger took place in 2015 we wanted to ensure we retained the experience of the Trustees from both organisations and we expect over time there will be a reduction in the overall size of the Board to 12, whilst ensuring we retain a majority of elected Trustees.
- We recognised that we need to broaden the diversity of our Board and this will be a key principle in our succession planning for the Board and Committees as a number of our Trustees are reaching the maximum number of years in office.
- We have established a Nominations Committee whose first issue to be considered was the establishment of the Vice-Chair role. We are pleased that Michael Izza has agreed to act as Vice-Chair and this appointment was made in March 2021.

We have established an action plan to implement the recommendations following the review and this will help to further strengthen compliance with the Code principles.

The Board is satisfied that the chairs and members of each committee have the competencies to ensure that the committees can discharge their responsibilities effectively.

### **Appointment of auditors**

In accordance with the Companies Act 2006 a resolution proposing the reappointment of Haysmacintyre LLP as auditors for the year ended 31 March 2022 will be put to the members.

### **Disclosure of information to auditors**

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In signing this report Trustees are approving the strategic report in their capacity as company directors.

Approved by the Trustees on **12 July 2021** and signed on their behalf by:



**Mervyn Walker**  
**Chairman**

The Trustees (who are also directors of Moorfields Eye Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. 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 of 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;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Opinion

We have audited the financial statements of Moorfields Eye Charity for the year ended 31 March 2021 which comprise which comprise the Statement of Financial Activities, the Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating 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 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report (which includes the strategic report and the directors' 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 included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

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 misstatements in the Trustees' Report (which incorporates the strategic report and the directors' 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
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement as set out on page 27 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 determine 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**

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.

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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and the Charities Act 2011, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and other factors such as compliance with legislation in relation to payroll tax and fundraising regulations.

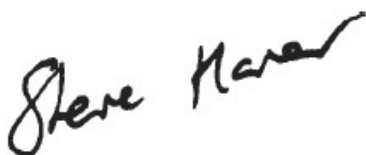
We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates including reviewing the accuracy of income recognition in the year and accruals made for legacies receivable at 31 March 2021.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.



**Steven Harper (Senior Statutory Auditor)**  
**For and on behalf of Haysmacintyre LLP, Statutory Auditor**  
10 Queen Street Place  
London  
EC4R 1AG

**15 July 2021**



# Statement of financial activities

## Year ended 31 March 2021

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 total £'000	2020 total £'000
<b>Income and endowments from:</b>						
Donations	2	815	5,527	-	<b>6,342</b>	4,896
Legacies	2	463	732	(191)	<b>1,004</b>	1,439
Events	2	122	13	-	<b>135</b>	181
Other trading activities:	2					
Raffles and lottery		79	-	-	<b>79</b>	82
Royalties and other income		24	-	-	<b>24</b>	-
Investment income	2	35	162	43	<b>240</b>	292
<b>Total income</b>	2	<b>1,538</b>	<b>6,434</b>	<b>(148)</b>	<b>7,824</b>	6,890
<b>Expenditure on:</b>						
Raising funds:						
Fundraising	3	692	402	-	<b>1,094</b>	1,242
Investment management	3	32	128	45	<b>205</b>	176
	3	<b>724</b>	<b>530</b>	<b>45</b>	<b>1,299</b>	1,418
Charitable activities	4	33	4,332	11	<b>4,376</b>	4,610
Governance and support costs	5	405	171	-	<b>576</b>	546
		<b>438</b>	<b>4,503</b>	<b>11</b>	<b>4,952</b>	5,156
<b>Total expenditure</b>		<b>1,162</b>	<b>5,033</b>	<b>56</b>	<b>6,251</b>	6,574
<b>Net income/(expenditure) before investment gains and losses</b>		<b>376</b>	<b>1,401</b>	<b>(204)</b>	<b>1,573</b>	316
Net gains/(losses) on investments	9	740	6,716	1,032	<b>8,488</b>	(2,010)
<b>Net income/(expenditure)</b>		<b>1,116</b>	<b>8,117</b>	<b>828</b>	<b>10,061</b>	(1,694)
Transfers between funds		-	-	-	-	-
<b>Net movement in funds</b>		<b>1,116</b>	<b>8,117</b>	<b>828</b>	<b>10,061</b>	<b>(1,694)</b>
Reconciliation of funds:						
Total funds brought forward		5,364	36,910	5,710	<b>47,984</b>	49,678
Total funds carried forward	15	<b>6,480</b>	<b>45,027</b>	<b>6,534</b>	<b>58,045</b>	47,984

The accounting policies and notes on pages 35 to 57 form part of these financial statements.

Full comparatives for the year ended 31 March 2020 are included at Note 18.

## Moorfields Eye Charity

### Income and expenditure account Year ended 31 March 2021

All Income Funds		2021 Total £'000	2020 Total £'000
	Note		
<b>Income</b>			
Donations		6,342	4,896
Legacies		1,195	1,318
Events		135	181
Other trading activities:	2		
Raffles and lottery		79	82
Royalties and other income		24	-
Interest and Investment income	2	197	247
Gains on investments	9	7,456	-
<b>Gross income in the year</b>	2	<b>15,428</b>	<b>6,724</b>
<b>Expenditure on</b>			
Raising funds	3	1,254	1,378
Charitable activities	4	4,941	5,064
Losses on investments		-	1,817
<b>Total expenditure in the year</b>		<b>6,195</b>	<b>8,259</b>
<b>Net (expenditure)/income for the financial year</b>		<b>9,233</b>	<b>(1,535)</b>

The accounting policies and notes on pages 35 to 57 form part of these financial statements.

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 total £'000	2020 total £'000
<b>Fixed assets</b>						
Investments	9	3,738	46,230	6,755	<b>56,723</b>	48,484
Intangible assets	10	80	-	-	<b>80</b>	139
		<b>3,818</b>	<b>46,230</b>	<b>6,755</b>	<b>56,803</b>	<b>48,623</b>
<b>Current assets</b>						
Debtors	11	403	564	4	<b>971</b>	1,369
Cash held in investment portfolio	9	551	6,620	-	<b>7,171</b>	4,891
Cash at bank and in hand		2,352	1,009	-	<b>3,361</b>	2,412
<b>Total current assets</b>		<b>3,306</b>	<b>8,193</b>	<b>4</b>	<b>11,503</b>	<b>8,672</b>
<b>Liabilities</b>						
Creditors: Amounts falling due within 1 year	12	(635)	(5,329)	(120)	<b>(6,084)</b>	(5,294)
<b>Net current assets</b>		<b>2,671</b>	<b>2,864</b>	<b>(116)</b>	<b>5,419</b>	<b>3,378</b>
Creditors: Amounts falling due after more than 1 year	13	(9)	(4,067)	(101)	<b>(4,177)</b>	(4,017)
<b>Total net assets</b>		<b>6,480</b>	<b>45,027</b>	<b>6,538</b>	<b>58,045</b>	<b>47,984</b>
<b>Funds</b>						
<b>Total funds</b>	15	<b>6,480</b>	<b>45,027</b>	<b>6,538</b>	<b>58,045</b>	<b>47,984</b>

The accounting policies and notes on pages 35 to 57 form part of these financial statements.

Full comparatives for the year ended 31 March 2020 are included at Note 19.

The financial statements were approved and authorised for issue by the Board of Directors and were signed on its behalf by:



**Mervyn Walker**  
Chairman

12 July 2021

## Moorfields Eye Charity

### Cashflow statement Year ended 31 March 2021

	<b>Total funds 2021 £000</b>	<b>Total funds 2020 £000</b>
Cash flows from operating activities		
Net cash provided by/(used in) operating activities	<b>2,750</b>	1,714
Cash flows from investing activities		
Dividends and interest from investments	<b>240</b>	292
Net movement of assets within investment portfolio	<b>239</b>	(1,081)
Development of fixed assets	-	(6)
Purchase of long term investments	-	(12,518)
Net cash provided by/ (used in) investing activities	<b>479</b>	(13,313)
Change in cash and cash equivalents in the reporting period	<b>3,229</b>	(11,599)
Cash and cash equivalents at the beginning of the reporting period	<b>7,303</b>	18,902
<b>Cash and cash equivalents at the end of the accounting period</b>	<b>10,532</b>	7,303

### Reconciliation of cash flows from operating activities

	<b>Total funds 2021 £000</b>	<b>Total funds 2020 £000</b>
Net income/(expenditure) for the period as per SOFA	<b>10,061</b>	(1,694)
Adjustments for:		
(Gains)/losses on investments	<b>(8,488)</b>	2,010
Dividends and interest from investments	<b>(240)</b>	(292)
Amortisation	<b>59</b>	58
Decrease/(increase) in debtors	<b>398</b>	877
Increase/(decrease) in creditors	<b>960</b>	755
<b>Net cash provided by/(used in) operating activities</b>	<b>2,750</b>	1,714

### Analysis of cash and cash equivalents

	<b>Total funds 2021 £000</b>	<b>Total funds 2020 £000</b>
Cash in hand	<b>3,361</b>	2,412
Cash held as part of the investment portfolio	<b>7,171</b>	4,891
<b>Total cash and cash equivalents</b>	<b>10,532</b>	7,303

The accounting policies and notes on pages 35 to 57 form part of these financial statements.

**1 Accounting policies**

**a) Basis of preparation**

The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments at market value, and in accordance the Statement of Recommended Practice for Charities (SORP 2019) (Second Edition, effective 1 January 2019) and applicable accounting standards (FRS 102). Moorfields Eye Charity meets the definition of a public benefit entity under FRS102.

The accounts are prepared in pounds sterling rounded to the nearest thousand.

**b) Going concern**

The Trustees consider that there are no material uncertainties regarding the charity's ability to continue as a going concern. Using cash flow projections, based on monthly cash flows in the budget for 2021/22, the Trustees consider current assets are sufficient to meet the cash flows required to meet current liabilities. In addition the charity has significant cashable investments, including after removing cash held on deposit for Oriel, to meet future challenges and commitments.

**c) Critical accounting judgements and estimates**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charities accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements have been made in respect of: the valuation of legacy income accrued at the year end; and the discount used to discount the value of grant liabilities due in more than one year. These judgements are explained fully at (i) and (k) below.

**d) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**e) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

**f) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

**1 Accounting policies (continued)**

**g) Foreign currency translation**

The Charity's functional and presentation currency is pounds sterling. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are recognised in the Statement of financial activities

**h) Income**

Income is included in the Statement of financial activities as soon as all conditions for receipt have been met - including entitlement, probability of receipt and measurement of the amount.

**i) Legacies**

In line with our income policy, legacy income is accrued at the balance sheet date if it can be shown there is an entitlement to the funds, if there is probability of receipt and the amount can be fairly measured. Only where all three of these factors can be satisfied is an amount included for the year. Legacy notifications and receipts are reviewed up to the date of the approval of the accounts and the results are adjusted if the likely receipt is considered material and there is evidence that we were entitled to the income at the year end.

**j) Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefit will be required in settlement and the amount of the obligation can be measured reliably.

**k) Grants payable and reserves**

Grants payable are recognised in the financial statements, on an accruals basis, when the charity has incurred a constructive or legal obligation to make a grant. The charity makes multi-year grants, often dependent on multi-year income pledges. This sometimes results in restricted funds being in deficit pending the receipt of pledged income.

Following guidance in SORP 2019, grant liabilities accounted for as creditors falling due after more than one year from the balance sheet date have been discounted to their net present value. A discount rate of 4.9% (2020: 3.8%) was used, being the rate of total return expected on the Charity's long term investment portfolio, adjusted for equity risk, and included in the budget for 2021/22.

The amount spent on grants in any year is related to the reserves policy of the Trustees, which seeks to maintain a maximum level of unrestricted funds. This allows the Charity to maintain its working capital, which provides a regular flow of investment income for grants in future periods. As required by FRS 102, long term liabilities have been discounted to present value as the impact of discounting is material.

**l) Governance and Support Costs**

This includes all expenditure, including salaries, relating to activities that are not directly related to fundraising or the management of grants and research.

**1 Accounting policies (continued)**

**m) Investments**

Investments are shown at market value. Changes in value during the year, whether realised or unrealised, are included in the Statement of financial activities. Investment management costs are shown as a cost of generating funds.

**n) Tangible fixed assets and depreciation**

Assets costing more than £5,000 are capitalised. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of the assets, less any residual value, over their expected useful lives.

**o) Intangible fixed assets and amortisation**

Intangible fixed assets are carried at cost, net of amortisation and any provision for impairment.

Amortisation is provided at rates calculated to write off the cost of the assets, less any residual value, over their expected useful lives. The intangible assets of the charity are the costs of developing the grants management and fundraising database and software. These are amortised over the period of the initial licence period, being four years, from July 2018 when the system became operational.

**p) Assets in the course of construction or development**

Where tangible or intangible assets are in the course of construction or development at the year end, the costs incurred to the balance sheet date are shown as fixed assets.

**q) Fund structure and objects**

All funds are used for the main Objects of the Charity. The main categories of funds are:

- Restricted – trusts created by donors with specific objects or linked charities;
- Expendable endowment – unrestricted incoming resources exceeding £500,000 received by the Special Trustees prior to December 2015 and which were not expected to be spent within one year. This was a reporting concession allowed for NHS charities at that time;
- Unrestricted – resources that can be used by the Trustees at their discretion; and
- Designated – unrestricted funds for which the Trustees have set a specific purpose.

**r) General information**

Moorfields Eye Charity is a company registered in England and Wales (company number 7543237). Its registered address is set out on page 2. Its objects are set out on page 16.

## Moorfields Eye Charity

### Notes to the financial statements (continued) Year ended 31 March 2021

#### 2 Income and endowments from

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 total £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2020 total £'000
Donations								
Individual giving	697	120	-	817	402	354	-	756
Major gifts	118	5,407	-	5,525	102	4,038	-	4,140
	815	5,527	-	6,342	504	4,392	-	4,896
Legacies	463	732	(191)	1,004	650	668	121	1,439
Events	122	13	-	135	157	24	-	181
Raffles and lottery	79	-	-	79	82	-	-	82
Royalties and other income	24	-	-	24	-	-	-	-
	1,503	6,272	(191)	7,584	1,393	5,084	121	6,598
Investment portfolio	31	162	43	236	24	215	45	284
Interest on bank accounts	4	-	-	4	8	-	-	8
	1,538	6,434	(148)	7,824	1,425	5,299	166	6,890

The executors of an Estate accrued for in 2020 requested the legacy be changed from endowment funds to restricted funds, giving rise to the reversal in 2021.

#### 3 Expenditure on raising funds

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 Total £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2020 total £'000
Fundraising costs	322	25	-	347	500	3	-	503
Fundraising staff costs	311	377	-	688	188	493	-	681
Support costs (Note 5)	59	-	-	59	58	-	-	58
	692	402	-	1,094	746	496	-	1,242
Investment management costs	32	128	45	205	22	114	40	176
	724	530	45	1,299	768	610	40	1,418



## Moorfields Eye Charity

### Notes to the financial statements (continued) Year ended 31 March 2021

#### 4 Charitable activities

	Grant commitments £'000	Direct costs £'000	Support costs £'000	2021 total £'000	Grant commitments £'000	Direct costs £'000	Support costs £'000	2020 total £'000
<b>Charitable activities</b>								
Research	2,729	-	-	<b>2,729</b>	3,385	-	-	3,385
Equipment	1,102	-	-	<b>1,102</b>	315	-	-	315
Patient and staff welfare	199	-	-	<b>199</b>	469	-	-	469
Education	1	-	-	<b>1</b>	170	-	-	170
Innovation	157	-	-	<b>157</b>	133	-	-	133
Grant commitments	4,188	-	-	<b>4,188</b>	4,472	-	-	4,472
Oriel	-	18	-	<b>18</b>	-	25	-	25
Grants management – staff costs (note 6)	-	148	-	<b>148</b>	-	99	-	99
Grants management - other costs	-	22	-	<b>22</b>	-	14	-	14
Total Charitable activities	4,188	188	-	<b>4,376</b>	4,472	138	-	4,610
Governance and support (Note 5)	-	-	576	<b>576</b>	-	-	546	546
	<b>4,188</b>	<b>188</b>	<b>576</b>	<b>4,952</b>	4,472	138	546	5,156

Grant commitments are net of commitments unused and released in the year as well as net present value adjustments for the current and prior year. More details are shown in Note 14.

Notes to the financial statements (continued)  
Year ended 31 March 2021

## 5 Governance and support costs

	Fundraising costs £'000s	Charitable activities £'000s	2021 total £'000s	Fundraising costs £'000s	Charitable activities £'000s	2020 total £'000s
<b>Governance</b>						
Audit fees	-	15	15	-	14	14
Insurance (incl. indemnity insurance)	-	8	8	-	8	8
Trustee expenditure	-	6	6	-	17	17
Other governance Costs	-	24	24	-	16	16
<b>Total governance Costs</b>	-	53	53	-	55	55
<b>Support Costs</b>						
Cost of staff employed by the Charity (note 6)	-	426	426	-	406	406
Amortisation	59	-	59	58	-	58
Other support costs	-	97	97	-	85	85
<b>Total support costs</b>	59	523	582	58	491	549
<b>Total governance and support costs (note 4)</b>	59	576	635	58	546	604

Other governance costs include legal fees and the cost of electronic board papers.

Other support costs include IT costs and recruitment costs.

The cost of time spent by governance and support staff on fundraising is allocated to the cost of raising funds based on an assessment of time spent on that activity.

The remaining governance and support costs are allocated to the Charity's unrestricted, Oriel and Special Trustees funds based on an assessment of time spent on that activity. As grant commitments are the Charity's main charitable activity, governance and support costs have not been allocated to grant commitments but are shown separately in the Statement of financial activities.

## Moorfields Eye Charity

### Notes to the financial statements (continued) Year ended 31 March 2021

#### 6 Staff costs

The total cost for the year was £1,261,889 (2020: £1,185,580) made up as follows:

	<b>Fundraising £000</b>	<b>Grants £000</b>	<b>Governance and support £000</b>	<b>2021 total £000</b>	<b>Fundraising £000</b>	<b>Grants £000</b>	<b>Governance and support £000</b>	<b>2020 total £000</b>
Salary cost	586	122	346	<b>1,054</b>	572	81	344	997
Employer NI contributions	62	13	39	<b>114</b>	59	9	36	104
Pension contributions	40	13	18	<b>71</b>	39	9	16	63
Cost of staff employed by the Charity	<b>688</b>	<b>148</b>	<b>403</b>	<b>1,239</b>	670	99	396	1,165
Cost of services provided by Moorfields and other suppliers	-	-	23	<b>23</b>	11	-	10	21
	<b>688</b>	<b>148</b>	<b>426</b>	<b>1,262</b>	681	99	406	1,186

#### Staff numbers

	<b>Average FTE for year</b>	<b>Average for year</b>	<b>As at 31 March 2021</b>	<b>Average FTE for year</b>	<b>Average for year</b>	<b>As at 31 March 2020</b>
Staff employed by the Charity	<b>25</b>	<b>28</b>	<b>28</b>	<b>22</b>	<b>24</b>	<b>23</b>
Staff provided by Moorfields and other suppliers	-	-	<b>1</b>	<b>1</b>	<b>2</b>	-
	<b>25</b>	<b>28</b>	<b>29</b>	<b>23</b>	<b>26</b>	<b>23</b>

Notes to the financial statements (continued)  
Year ended 31 March 2021

6 Staff costs (continued)

Salary bandings

The number of employees of the Charity receiving emoluments of more than £60,000 (excluding employer pension costs) during the year were as follows:

Banding	2021	2020
£60,001 - £70,000	1	1
£70,001 – £80,000	1	2
£80,001 - £90,000	1	-
£100,001 - £110,000	1	1

Key management personnel

The key management personnel during the year were the Trustees and the management group. The Trustees received no remuneration for their positions. The management group is made up of the Chief Executive, the Director of development, the Director of grants and research, and the Director of finance and resources. All of the management group are employed by the Charity.

The total cost to the charity of all people who performed the work of the management group during the year was £411,876 (2020: £368,817).

7 Pensions

The Charity participates in the NHS pension scheme for those staff that transferred to the Charity from employment with Moorfields. It is not possible to separately identify the assets of the scheme relating to the Charity. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £27,722 (2020: £29,040). Contributions totalling £2,310 (2020: £2,255) were payable to the fund at the balance sheet date and are included in creditors. The Charity pays the standard rate of contribution to the scheme and no historic deficits are being funded through additional contributions.

The Charity participates in the People's Pension, ensuring all staff are able to participate in an auto-enrolment pension scheme. The scheme is a defined contribution scheme where the assets are held separately from the Charity in an independently managed fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £42,918 (2020: £35,426). Contributions totalling £7,425 (2020: £3,232) were payable to the fund at the balance sheet date and are included in creditors. Employees make contributions matched by the Charity at 4% or 8% of salary.

8 Taxation

No tax charge has arisen in the year as the registered charity falls within Chapter 3 of the Corporation Taxes Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992, and is therefore potentially exempt from taxation of income and gains to the extent that they are applied to its charitable purposes. The Charity is not registered for VAT. Expenditure is shown inclusive of VAT.

## Moorfields Eye Charity

### Notes to the financial statements (continued) Year ended 31 March 2021

#### 9 Fixed asset investments

	2021 total	2020 total
	£'000	£'000
<b>Common investment funds</b>		
Market value at 1 April	53,375	53,277
Net investments/(withdrawals)	2,000	2,000
Income and distributions	236	284
Management fees	(205)	(176)
Net movements in valuation	8,488	(2,010)
<b>Market value at 31 March</b>	<b>63,894</b>	53,375
<b>Cash held as part of the investment portfolio</b>	<b>(7,171)</b>	(4,891)
<b>Total investments at 31 March</b>	<b>56,723</b>	48,484

#### Withdrawals / further investment

During the year the Trustees invested £2.0 million as cash within the portfolio, representing a donation towards Oriel (2020: invested £2.0 million in cash towards Oriel). The £2.0 million received in 2021 was invested in the Oriel investment portfolio in April 2021.

In the prior year, £10.0 million of cash from within the portfolio was invested with Troy Asset Management as a new investment. A further £2.5 million of cash from within the portfolio was invested with the three portfolio managers.

#### Historic cost of investment

The original investment portfolio was acquired by the Charity as part of the merger with the former Special Trustees of Moorfields on 31 December 2015. At 31 December 2015, the date of the merger, the value of the portfolio was £41.4 million, being investments of £40.9 million and cash of £0.5 million.

## Moorfields Eye Charity

### Notes to the financial statements (continued) Year ended 31 March 2021

#### 10 Fixed assets – intangible assets

	Software £'000	Assets in development £'000	2021 total £'000	Software £'000	Assets in development £'000	2020 total £'000
<b>Cost</b>						
At 1 April	235	-	235	229	-	229
Additions	-	-	-	6	-	6
Transfers	-	-	-	-	-	-
<b>At 31 March</b>	<b>235</b>	<b>-</b>	<b>235</b>	<b>235</b>	<b>-</b>	<b>235</b>
<b>Amortisation</b>						
At 1 April	(96)	-	(96)	(38)	-	(38)
Charge for the year	(59)	-	(59)	(58)	-	(58)
<b>At 31 March</b>	<b>(155)</b>	<b>-</b>	<b>(155)</b>	<b>(96)</b>	<b>-</b>	<b>(96)</b>
<b>Net book value at 31 March</b>	<b>80</b>	<b>-</b>	<b>80</b>	<b>139</b>	<b>-</b>	<b>139</b>

Intangible assets are represented by our customer relationship management system developed over the period January 2018 to July 2018. Amortisation has been charged from August 2018 when the fundraising functionality of the system became operational. Additions from that date relate to the development of our grants management module of the system which became operational in April 2019.

Intangible assets are funded from unrestricted funds. Amortisation is treated as unrestricted expenditure.

## Moorfields Eye Charity

### Notes to the financial statements (continued) Year ended 31 March 2021

#### 11 Debtors

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 total £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2020 total £'000
HMRC Gift Aid accrual	86	25	-	111	38	27	-	65
Other debtors	-	-	-	-	-	-	-	-
Accrued income	259	539	4	802	378	679	200	1,257
Prepayments	58	-	-	58	47	-	-	47
	<b>403</b>	<b>564</b>	<b>4</b>	<b>971</b>	<b>463</b>	<b>706</b>	<b>200</b>	<b>1,369</b>

#### 12 Creditors: amounts falling due within one year

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 total £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2020 total £'000
Grants payable (note 14)	106	5,113	87	5,306	122	4,694	182	4,998
Other creditors	529	216	33	778	(26)	321	1	296
	<b>635</b>	<b>5,329</b>	<b>120</b>	<b>6,084</b>	<b>96</b>	<b>5,015</b>	<b>183</b>	<b>5,294</b>

#### 13 Creditors: amounts falling due after one year

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 Total £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2020 total £'000
Grants payable (note 14)	9	4,067	101	4,177	3	3,893	121	4,017



## Moorfields Eye Charity

### Notes to the financial statements (continued) Year ended 31 March 2021

14	Grants payable	Unrestricted Funds £'000	Restricted funds £'000	Endowment funds £'000	2021 total £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2020 total £'000
	Grant commitments at start of year	125	8,587	303	9,015	43	7,860	400	8,303
	NPV adjustment prior year	-	171	6	177	-	271	17	288
	Grant commitments made during the year	19	4,509	92	4,620	49	4,897	144	5,090
	Grant commitments released in year	(7)	(292)	(81)	(380)	(2)	(624)	(103)	(729)
	Grant commitments paid in year	(21)	(3,573)	(126)	(3,720)	35	(3,646)	(149)	(3,760)
	<b>Grant commitments</b>	<b>116</b>	<b>9,402</b>	<b>194</b>	<b>9,712</b>	<b>125</b>	<b>8,758</b>	<b>309</b>	<b>9,192</b>
	NPV adjustment current year	(1)	(222)	(6)	(229)	-	(171)	(6)	(177)
	<b>Grant commitments at end of year</b>	<b>115</b>	<b>9,180</b>	<b>188</b>	<b>9,483</b>	<b>125</b>	<b>8,587</b>	<b>303</b>	<b>9,015</b>
	Within one year (note 12)	106	5,113	87	5,306	122	4,694	182	4,998
	After more than one year (note 13)	9	4,067	101	4,177	3	3,893	121	4,017
	<b>Grant commitments at end of year</b>	<b>115</b>	<b>9,180</b>	<b>188</b>	<b>9,483</b>	<b>125</b>	<b>8,587</b>	<b>303</b>	<b>9,015</b>

Grant commitments are all made to Moorfields or UCL. Grants to UCL relate mainly for work by the UCL Institute of Ophthalmology. Details of grants made in the year are set out in the Trustees' Annual Report.

## Moorfields Eye Charity

### Notes to the financial statements (continued) Year ended 31 March 2021

#### 15 Funds

<b>Total funds summary (current year):</b>		Balance 1 April 2020	Income	Expenditure	Transfers between funds	Gains and losses	<b>Balance 31 March 2021</b>
		£'000	£'000	£'000	£'000	£'000	<b>£'000</b>
Restricted funds	15a	16,367	5,793	(2,490)	174	923	<b>20,767</b>
Linked charities	15b	20,543	641	(2,543)	(174)	5,793	<b>24,260</b>
Total restricted funds		36,910	6,434	(5,033)	-	6,716	<b>45,027</b>
Endowed funds	15c	5,710	(148)	(56)	-	1,032	<b>6,538</b>
Unrestricted funds	15d	5,364	1,538	(1,162)	-	740	<b>6,480</b>
<b>Total Funds</b>		<b>47,984</b>	<b>7,824</b>	<b>(6,251)</b>	<b>-</b>	<b>8,488</b>	<b>58,045</b>

<b>Total funds summary (prior year):</b>		Balance 1 April 2019	Income	Expenditure	Transfers between funds	Gains and losses	<b>Balance 31 March 2020</b>
		£'000	£'000	£'000	£'000	£'000	<b>£'000</b>
Restricted funds	15a	4,051	4,563	(1,925)	10,000	(322)	<b>16,367</b>
Linked charities	15b	34,642	736	(3,446)	(10,000)	(1,389)	<b>20,543</b>
Total restricted funds		38,693	5,299	(5,371)	-	(1,711)	<b>36,910</b>
Endowed funds	15c	5,869	166	(132)	-	(193)	<b>5,710</b>
Unrestricted funds	15d	5,116	1,425	(1,071)	-	(106)	<b>5,364</b>
<b>Total Funds</b>		<b>49,678</b>	<b>6,890</b>	<b>(6,574)</b>	<b>-</b>	<b>(2,010)</b>	<b>47,984</b>

#### Funds in deficit

The Charity enters multi-year gift agreements with donors to fund projects or equipment but accounting rules prevent the Charity from accruing the future income. Multi-year grant awards are also made and accounting rules require the long-term liability to be recognised fully on award. This can have the effect of creating funds in deficit. At 31 March 2021 there were nine funds in deficit (2020: five funds) amounting to £467k (2020: £363k). The Trustees are satisfied that sufficient funds will be raised in future accounting periods to reverse the deficits in full.

## Moorfields Eye Charity

### Notes to the financial statements (continued) Year ended 31 March 2021

#### 15a Restricted funds

	Balance 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and losses £'000	Balance 31 March 2021 £'000
<b>Buildings</b>						
Oriel capital	12,337	2,434	(72)	10	923	15,632
Other building funds	32	-	-	-	-	32
<b>Equipment</b>	146	508	(936)	-	-	(282)
<b>Patient and staff welfare</b>	(11)	193	(201)	-	-	(19)
<b>Research</b>						
General research	2,440	715	(307)	70	-	2,918
London project	657	1,427	(929)	-	-	1,155
Other research funds	766	516	(45)	94	-	1,331
<b>Total Funds</b>	<b>16,367</b>	<b>5,793</b>	<b>(2,490)</b>	<b>174</b>	<b>923</b>	<b>20,767</b>

	Balance 1 April 2019 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and losses £'000	Balance 31 March 2020 £'000
<b>Buildings</b>						
Oriel capital	651	2,028	(20)	10,000	(322)	12,337
Other building funds	31	1	-	-	-	32
<b>Equipment</b>	84	206	(144)	-	-	146
<b>Patient and staff welfare</b>	(14)	87	(84)	-	-	(11)
<b>Research</b>						
General research	2,204	721	(485)	-	-	2,440
London project	(285)	920	22	-	-	657
Other research funds	1,380	600	(1,214)	-	-	766
<b>Total Funds</b>	<b>4,051</b>	<b>4,563</b>	<b>(1,925)</b>	<b>10,000</b>	<b>(322)</b>	<b>16,367</b>

## Moorfields Eye Charity

### Notes to the financial statements (continued) Year ended 31 March 2021

#### 15a Restricted funds (continued)

The restricted funds held are explained below:

<b>Building</b>	
General Building Fund	Restricted donations given for the maintenance and repair of the Moorfields Estate.
RDCEC Building	Restricted donations given for the maintenance and repair of the Richard Desmond Children's Eye Centre.
Oriel Capital	Restricted donations given for Moorfields' long-term redevelopment project.
<b>Equipment</b>	
General Equipment	Restricted donations given for the purchase of specialist equipment for either research or clinical services.
Summer 2014 Equipment Appeal	Restricted donations to replace a broken stem cell incubator at Moorfields; any surplus donations will be used to support stem cell therapy research.
<b>Patient Welfare</b>	
RDCEC Non Research	Restricted donations given for the work carried out in the Richard Desmond Children's Eye Centre.
General Patient Care	Restricted donations given for the general welfare of Moorfields' patients.
Prof Khaw	Restricted donation given for Prof Khaw to support those with glaucoma who may struggle to access the relevant care they require.
<b>Research</b>	
General Research	Restricted donations given for research purposes.
Adnexal Research	Restricted donations given for research into the causes and treatment of diseases involving tissues surrounding the eye ball, including the eyelids, extra-ocular muscles, socket and tear system.
AMD Research	Restricted donations given for research into the causes and treatment of Age-Related macular degeneration.
Aniridia Research	Restricted donations given for research into the causes and treatment of Aniridia.
Cataract Research	Restricted donations given for research into the causes and treatment of Cataracts.
Corneal Research	Restricted donations given for research into the causes and treatment of diseases of or involving the cornea.
Diabetes Related Research	Restricted donations given for research into the causes and treatment of eye disease linked to diabetes.
Eye Cancer Research	Restricted donations given for research into the causes and treatment of ocular cancers.
Gene Therapy Research	Restricted donations given for research into using or developing Gene Therapy for eye diseases.
Genetic Research	Restricted donations given for research into the genetic background to eye disease.
Glaucoma Research	Restricted donations given for research into the causes and treatment of glaucoma.
John Dart Research	Restricted donations given for research led by Professor John Dart and his team.

Notes to the financial statements (continued)  
Year ended 31 March 2021

15a Restricted funds (continued)

<b>Research (continued)</b>	
London Project	Restricted donations given for research related to the London Project which aims to use Stem Cell technology to restore sight, prevent progression and ultimately improve the quality of life for patients with Age-Related Macular Degeneration (AMD) and other retinal and macular disorders, led by Prof Pete Coffey and Mr Lyndon da Cruz and their teams.
Macular Degeneration	Restricted donations given for research into the causes and treatment of macular degeneration.
Ocular Prosthetics	Restricted donations given to support the development of and research into ocular prosthetics.
Ocular repair/regeneration	Restricted donations given for research into ocular repair and regeneration mechanisms and treatments.
Paediatric Research	Restricted donations given for research into the causes and treatment of eye conditions in children.
Project Oriel Research	Restricted donations for specific research projects as part of the £25m research goal within the £100m MEH redevelopment fundraising campaign.
Retinal Research	Restricted donations given for research into the causes and treatment of retinal diseases.
RP and Usher Syndrome	Restricted donations given for research into the causes and treatment of retinitis pigmentosa and Usher syndrome.
Stargardt Research	Restricted donations given for research into the causes and treatment of Stargardt disease.
Stem Cell Research	Restricted donations given for research into utilising Stem Cells in the treatment of eye disease.
Uveitis Research	Restricted donations given for research into the causes and treatment of uveitis.
V R Research	Restricted donations given for research into the causes and treatment of vitreo retinal conditions.
DF-AMD Research	Restricted donations given for research into the causes and treatment of age-related macular degeneration.
Sir Jules Thorn Unit	Restricted donations given in support of the development of and research carried out in the Sir Jules Thorn Unit.
UNITE	Restricted donations given for research related to the UNITE international consortium which aims to advance the education of and research into ocular inflammation and immune-mediated disease of the eye.
<b>Satellite Sites</b>	Restricted donations given for use by Moorfields operational teams at other hospitals.
St. Georges Satellite	
Bedford Satellite	
Ealing Satellite	

## Moorfields Eye Charity

### Notes to the financial statements (continued) Year ended 31 March 2021

#### 15b Restricted funds – linked charities

	Balance 1 April 2020	Income	Expenditure	Transfers between funds	Gains and losses	Balance 31 March 2021
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Special purpose</b>	90	-	(94)	19	-	<b>15</b>
<b>Patient welfare</b>	26	-	-	-	-	<b>26</b>
<b>Staff welfare and amenities</b>	142	-	(1)	-	-	<b>141</b>
<b>Research</b>				-	-	
General research	287	25	(266)	-	-	<b>46</b>
Former special trustees	19,882	616	(2,208)	(211)	5,793	<b>23,872</b>
Other research funds	116	-	26	18	-	<b>160</b>
<b>Total Funds</b>	<b>20,543</b>	<b>641</b>	<b>(2,543)</b>	<b>(174)</b>	<b>5,793</b>	<b>24,260</b>

	Balance 1 April 2019	Income	Expenditure	Transfers between funds	Gains and losses	Balance 31 March 2020
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Special purpose</b>	90	-	-	-	-	<b>90</b>
<b>Patient welfare</b>	26	-	-	-	-	<b>26</b>
<b>Staff welfare and amenities</b>	166	-	(24)	-	-	<b>142</b>
<b>Research</b>				-	-	
General research	523	50	(286)	-	-	<b>287</b>
Former special trustees	33,665	686	(3,080)	(10,000)	(1,389)	<b>19,882</b>
Other research funds	172	-	(56)	-	-	<b>116</b>
<b>Total Funds</b>	<b>34,642</b>	<b>736</b>	<b>(3,446)</b>	<b>(10,000)</b>	<b>(1,389)</b>	<b>20,543</b>

#### Linked charities

Under a Linking Directive from the Charity Commission, following the merger at 31 December 2015, the former Special Trustees of Moorfields Eye Hospital and its linked charities become Linked Charities of the Charity. The objects of the former Special Trustees meant the unrestricted funds of that charity became restricted funds within Moorfields Eye Charity.

## Moorfields Eye Charity

### Notes to the financial statements (continued) Year ended 31 March 2021

#### 15b Restricted funds – linked charities (continued)

The restricted funds held are explained below:

<b>Restricted</b>	
Children's Centre /Paediatric Research	Restricted donations given for research into and treatment of children's eye conditions.
Arthur Luck Oncology/Eye Cancer	A fund created from a single donation for research into tumours in any part of the visual system.
Francis and Renee Hock Fund	A fund created from a single donation to further the research into the treatment of medical and surgical conditions of the vitreous and retina.
<b>Restricted – Special Purpose</b>	
<b>Patient Welfare</b>	
Chapel Fund (Helen Brooker)	Funds held for the maintenance and refurbishment of the Multi-Faith Centre.
<b>Research</b>	
General Research	Restricted donations given for research purposes.
Optical Department	Restricted donations given for use by the optical department.
Research Scholarship Fund	Restricted donations given to create a scholarship fund for the publication of research.
Glaucoma Research	Restricted donations given for research into the treatment and cure of glaucoma.
Retinal Research	Restricted donations given for research into retinal conditions.
Former Special Trustees	The former Unrestricted Fund of Special Trustees whose funds were restricted for use wholly or mainly in support of Moorfields.
<b>Staff Welfare and Amenities</b>	
Nurses	Restricted donations given for general improvements for the comfort of nursing staff.
Retinal Diagnostic Education Fund	Restricted donations given for educational purposes for full-time medical members of the retinal diagnostic department.
Staff Benevolent Fund	Restricted donations given for the relief of those staff facing hardship and to assist with removal, temporary housing, childcare, set-up costs and language training especially for overseas staff but otherwise staff generally.



## Moorfields Eye Charity

### Notes to the financial statements (continued) Year ended 31 March 2021

#### 15c Endowment funds

	Balance 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and losses £'000	Balance 31 March 2021 £'000
<b>General endowment funds</b>	5,063	(148)	(45)	-	1,032	<b>5,902</b>
<b>Other endowment funds</b>	647	-	(11)	-	-	<b>636</b>
<b>Total Funds</b>	<b>5,710</b>	<b>(148)</b>	<b>(56)</b>	<b>-</b>	<b>1,032</b>	<b>6,538</b>

	Balance 1 April 2019 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and losses £'000	Balance 31 March 2020 £'000
<b>General endowment funds</b>	5,170	166	(80)	-	(193)	<b>5,063</b>
<b>Other endowment funds</b>	699	-	(52)	-	-	<b>647</b>
<b>Total Funds</b>	<b>5,869</b>	<b>166</b>	<b>(132)</b>	<b>-</b>	<b>(193)</b>	<b>5,710</b>

<b>Endowment Funds:</b>	
Samaritan Endowment Funds	Restricted funds given to relieve in cases of need persons leaving Moorfields Eye Hospital in such ways conducive to their recovery or betterment.
Children's Endowment Funds	An endowment fund formerly part of the Samaritan Fund on which income is used for the specific welfare of child patients.
James and Edmonds Funds	An endowment fund formerly part of the Samaritan Fund on which income earned is used for the purposes of the Samaritan Fund.
Children's Ophthalmic Fund	Income is used for the specific welfare of child patients.
General Endowment Fund	General donations in excess of £0.5 million received in one year; for expenditure over a number of years.
Sutor Research Fund	An expendable endowment fund created by a legacy for research excluding the use of animals.

## Moorfields Eye Charity

### Notes to the financial statements (continued) Year ended 31 March 2021

#### 15d General unrestricted funds

<b>Unrestricted funds:</b>	Balance 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and losses £'000	<b>Balance 31 March 2021 £'000</b>
General/Unrestricted	5,364	1,538	(1,162)	-	740	<b>6,480</b>
Designated capital fund	-	-	-	-	-	-
<b>Total Unrestricted Funds</b>	<b>5,364</b>	<b>1,538</b>	<b>(1,162)</b>	<b>-</b>	<b>740</b>	<b>6,480</b>

<b>Unrestricted funds:</b>	Balance 1 April 2019 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Gains and losses £'000	<b>Balance 31 March 2020 £'000</b>
General/Unrestricted	4,616	1,425	(1,071)	500	(106)	<b>5,364</b>
Designated capital fund	500	-	-	(500)	-	-
<b>Total Unrestricted Funds</b>	<b>5,116</b>	<b>1,425</b>	<b>(1,071)</b>	<b>-</b>	<b>(106)</b>	<b>5,364</b>

<b>Unrestricted Funds:</b>	
General/Unrestricted	Resources that can be used by the Trustees at their discretion
Designated Capital Fund	Funds designated by the Trustees for Moorfields' long-term redevelopment project

### Notes to the financial statements (continued) Year ended 31 March 2021

---

#### 16 Commitments

During the year ended March 2020 the Trustees formally committed to provide £10,000,000 to be utilised for the construction costs of Oriel. As the funds will not be required until at least 2024 an equivalent amount of cash was placed with Troy Asset Management as a separate investment from the long term portfolio, where they remain at March 2021.

To reflect the capital commitment, the Trustees transferred £10,000,000 from the former Special Trustees restricted reserve to the restricted Oriel capital reserve. The Trustees consider this reflects the intentions of the former Special Trustees and an appropriate use of the former Special Trustees reserve as these funds are to be used wholly or mainly in support of Moorfields.

In the coming year it is the intention of the Trustees to formalise the commitment by way of a grant agreement with Moorfields. This formal commitment will have a significant impact on the results for the new financial year and the value of grant awards payable in more than one year.

#### 17 Transactions with directors and connected persons

David Probert, Johanna Moss and Louisa Wickham are directors of Moorfields Eye Hospital NHS Foundation Trust ('Moorfields'). Nick Strouthidis was a director of that trust. Robert Jones is the vice chair of the membership council of that trust.

None of the Trustees received any remuneration during the year (2020: £Nil).

No Trustees (2020: four) were reimbursed for their travel and other related expenses, £Nil (2020: £3,002).

None of the Trustees or members of key management staff of Moorfields or parties related to them has undertaken any material transactions with the Charity or with connected persons during the year.

During the year the Charity received human resources, payroll management, facilities management and information systems services from Moorfields. These services were provided on an arms-length basis without charge.

The Charity makes grants to Moorfields as set out in Note 14 above and explained further in the Trustees Report. There were no other related party transactions in the current or previous year.

# Notes to the financial statements (continued)

## Year ended 31 March 2021

### 18 Comparatives: statement of financial activities for the year ended 31 March 2020

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2020 total £'000
<b>Income and endowments from:</b>					
Donations	2	504	4,392	-	<b>4,896</b>
Legacies	2	650	668	121	<b>1,439</b>
Events	2	157	24	-	<b>181</b>
Other trading activities:	2				
Raffles and lottery		82	-	-	<b>82</b>
Investment income	2	32	215	45	<b>292</b>
<b>Total income</b>	2	<b>1,425</b>	<b>5,299</b>	<b>166</b>	<b>6,890</b>
<b>Expenditure on:</b>					
Raising funds:					
Fundraising	3	746	496	-	<b>1,242</b>
Investment management	3	22	114	40	<b>176</b>
	3	<b>768</b>	<b>610</b>	<b>40</b>	<b>1,418</b>
Charitable activities:	4				
Research		11	3,327	47	<b>3,385</b>
Equipment		-	315	-	<b>315</b>
Patient and staff welfare		1	463	5	<b>469</b>
Education		35	135	-	<b>170</b>
Innovation		-	133	-	<b>133</b>
Grants management		14	99	-	<b>113</b>
Oriel		5	20	-	<b>25</b>
Governance and support costs	5	237	269	40	<b>546</b>
		<b>303</b>	<b>4,761</b>	<b>92</b>	<b>5,156</b>
<b>Total expenditure</b>		<b>1,071</b>	<b>5,371</b>	<b>132</b>	<b>6,574</b>
<b>Net income/(expenditure) before investment gains and losses</b>		<b>354</b>	<b>(72)</b>	<b>34</b>	<b>316</b>
Net gains/(losses) on investments	9	(106)	(1,711)	(193)	<b>(2,010)</b>
<b>Net income/(expenditure)</b>		<b>248</b>	<b>(1,783)</b>	<b>(159)</b>	<b>(1,694)</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>248</b>	<b>(1,783)</b>	<b>(159)</b>	<b>(1,694)</b>
Reconciliation of funds:					
Total funds brought forward		5,116	38,693	5,869	<b>49,678</b>
Total funds carried forward	15	<b>5,364</b>	<b>36,910</b>	<b>5,710</b>	<b>47,984</b>

# Notes to the financial statements (continued)

## Year ended 31 March 2021

### 19 Comparatives: Balance Sheet as at 31 March 2020

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2020 total £'000
<b>Fixed assets</b>					
Investments	9	3,710	38,973	5,801	<b>48,484</b>
Intangible assets	10	139	-	-	<b>139</b>
		<b>3,849</b>	<b>38,973</b>	<b>5,801</b>	<b>48,623</b>
<b>Current assets</b>					
Debtors	11	463	706	200	<b>1,369</b>
Cash held in investment portfolio	9	584	4,307	-	<b>4,891</b>
Cash at bank and in hand		567	1,832	13	<b>2,412</b>
<b>Total current assets</b>		<b>1,614</b>	<b>6,845</b>	<b>213</b>	<b>8,672</b>
<b>Liabilities</b>					
Creditors: Amounts falling due within 1 year	12	(96)	(5,015)	(183)	<b>(5,294)</b>
<b>Net current assets</b>		<b>1,518</b>	<b>1,830</b>	<b>30</b>	<b>3,378</b>
Creditors: Amounts falling due after more than 1 year	13	(3)	(3,893)	(121)	<b>(4,017)</b>
<b>Total net assets</b>		<b>5,364</b>	<b>36,910</b>	<b>5,710</b>	<b>47,984</b>
<b>Funds</b>					
Endowment	15	-	-	5,710	<b>5,710</b>
Restricted	15	-	36,910	-	<b>36,910</b>
Unrestricted	15	5,364	-	-	<b>5,364</b>
<b>Total funds</b>	15	<b>5,364</b>	<b>36,910</b>	<b>5,710</b>	<b>47,984</b>