

Annual report 2019



Sightsavers

On the cover

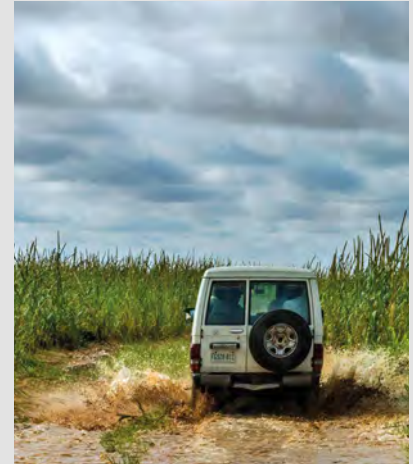
Ayen Kayerang'orok smiles after having her bandages removed the day after having trachoma surgery in Turkana, Kenya

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Tommy Trenchard



Ngurotin Lung'or is a community health volunteer in Turkana, Kenya.

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The context

The data on visual impairment below comes from the new world report on vision published by WHO in October 2019. Further data will be available later in 2020 as the Global Burden of Disease group provides updates.

- At least 2.2 billion people have a vision impairment and at least 1 billion people have a vision impairment that could have been either prevented or addressed.
- 65 million people are needlessly blind or visually impaired because of cataracts.
- More than 800 million people with refractive error lack access to glasses.
- The prevalence of blindness in many low- and middle-income countries is more than eight times higher than in all high-income countries.
- More than a billion people, about 15 per cent of the world's population, have some form of disability.
- Rates of disability are increasing because of the ageing population and a rise in chronic health conditions, among other causes. Without action, the number of people who are blind could rise to 115 million by 2050.

About



of the world's population have some form of disability



At least **2.2 billion** people have a vision impairment



At least **1 billion** people have a vision impairment that could have been either prevented or addressed



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Without action, the
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who are blind could
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Our vision

Sightsavers' vision is of a world where no one is blind from avoidable causes and where people with visual impairments and other disabilities participate equally in society.

Our mission

We are an international organisation working with partners in low-and middle-income countries to eliminate avoidable blindness and promote equal opportunities for people with disabilities.

Our objects

To advance health, always with particular emphasis on taking or promoting measures to prevent and or cure blindness.

To advance the education of people with disabilities, always with particular emphasis on blind people.

To prevent or relieve poverty among people with disabilities, always with particular emphasis on blind people.

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Sources:

Bourne RRA, Flaxman SR, Braithwaite T, Cicinelli MV, Das A, Jonas JB, et al.; Vision Loss Expert Group. Magnitude, temporal trends, and projections of the global prevalence of blindness and distance and near vision impairment: a systematic review and meta-analysis. *Lancet Global Health*. 2017 Sep;5(9):e888-97.

World Health Organization 'Disability and Health' fact sheet' January 2018, available at www.who.int/mediacentre/factsheets/fs352/en/

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Message from our Chair

It is a pleasure to open the annual report for the first time since taking over as chair of Sightsavers from Martin Dinham in July of last year. I need to begin by thanking Martin for everything he did for Sightsavers over the four years that he was chair – the organisation went from strength to strength under his leadership and I hope I can build on his inspiration and legacy.

It is with mixed feelings that I write this introductory message. Sightsavers had an incredibly good year once again in 2019, meeting the majority of its targets on outputs and outcomes as well as seeing a large increase in cash income. But as I write the world is reeling from the impact of the COVID-19 pandemic – an unprecedented situation that will have a devastating and far-reaching effect on everyone across the globe. We cannot know what this will be, but we fear particularly for those countries with fragile health systems and, more generally, for economies north and south. There will no doubt be long-term impacts too, many of which we cannot yet fathom.

Sightsavers will persevere – we have tested our systems and can operate effectively in a situation where most staff are working from home. Our staff in-country are

predominantly nationals and residents and work closely with local partners and governments to keep the programmes going as far as possible. We will be guided by the local government ministries as they decide how to prioritise work. We have experience of this, albeit in a more localised way, from the Ebola outbreaks in West Africa a few years ago. As I write our income is holding up – thanks to our loyal supporters and their generosity in continuing to think about the needs of people with disabilities, life changing neglected tropical diseases (NTDs) and curable sight problems.

Last year we supported more sight-restoring operations than ever before, distributed more than 142 million treatments for NTDs and increased the number of visually impaired children in our education programmes by 62 per cent. We had a number of advocacy successes at national and global level, including the passing of the Disability Act in Pakistan. Our large contracts on NTDs and disability, funded by the UK government and by philanthropists (Bill & Melinda Gates Foundation, the Children's Investment Fund Foundation, The ELMA Foundation and Virgin Unite) all successfully passed their



inception phases and have moved into full implementation.

Our total income for 2019 was £341 million, of which almost £105 million was non-gift-in-kind income – the first time we have broken through the £100 million mark. Our reserves at the end of 2019 were sitting at £13 million, leaving us in good shape to tackle the challenges we face in 2020, together with continuing invaluable support from our donors.

It has been a great pleasure to see that the first year of my chairmanship has been so positive. I would like to thank the trustees

as well as partners, staff and of course supporters. We will all need to stiffen our resolve to manage through the challenges of 2020 and ensure that Sightsavers is able to maintain as many of its activities as we can through this crisis. We hope to come through this stronger and more determined than ever.

Sir Clive Jones
Chair

Image: Maoline has her vision tested at a Sightsavers screening at school in Karquepo, Sinoe County, Liberia.

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COVID-19 statement

As at the date of signature of this report, the world remains in the grip of the COVID-19 pandemic. Some countries are beginning to take tentative steps out of lockdown, but huge uncertainty remains. Aside from the public health questions, the impact on economies across the world is unknown, although all commentators agree there will be a severe recession. It is unclear how deep this will be or how long it will last.

Of all the impacts of COVID-19, the one that is probably of most concern to Sightsavers at this moment is the situation across Africa. There is very little data emerging about the extent of virus cases across most African countries, and there are differing views about what will happen. Will the relatively young age of populations in Africa reduce the death toll? On the other hand, will the relatively fragile health systems be overwhelmed? A grave concern is that other health interventions are being paused (including our own), and deaths from malaria, TB etc will increase. Many programmes are currently suspended, and the uncertainty will make it difficult to plan for when programmes can restart. We remain very concerned that people with disabilities are being left behind, with health messaging and services often inaccessible, and stigma increasing.

Sightsavers has undertaken a range of activities to maximise its resilience during the pandemic.

- a. A comprehensive risk log tailored to COVID-19 has been created, including mitigation strategies, which are regularly reviewed.
- b. A business continuity team has been created to ensure we can function properly while offices are closed. This has worked well. The team is also planning for how we can return as lockdowns are lifted, ensuring that office environments will be COVID secure.
- c. A monitoring system has been created for our programmes so we are able to monitor activities more frequently – this will be particularly useful during the recovery period and will help us report to donors.
- d. A comprehensive engagement plan has been executed with all institutional and major donors. This has included ‘repurposing’ some of our DFID grants/ contracts to support COVID activities in programme countries. We have found almost all our donors to be very flexible, constructive and protective of the fixed costs associated with their grants while the programmes are suspended. We have received a number of unexpected

substantial one-off donations from people who have previously only given at a lower level.

- e. Our voluntary fundraising has continued with an emphasis on TV advertising and digital activity. We do very little face-to-face activity (only in India) and do not rely on events or retail activities to generate funds. This has meant our income has been much less impacted than many other charities. Indeed, we have benefited from the low media costs and increased audience reach of lockdown, and the number of new supporters joining us is significantly greater than at the same time last year in all European markets. There was a small increase in direct debit cancellations at the beginning of the crisis, but this has returned to normal levels.
- f. We have kept a close eye on costs, deferring some staff recruitment and furloughing a handful of staff whose workload has decreased (eg travel bookers). Also, with programmes suspended and international travel impossible, these costs have been kept low. We have maintained a laser focus on liquidity, monitoring our cashflow at least weekly. We are confident that the combination of the reserves we carry (which were above target coming into the

crisis), the funding that donors continue to provide, and our existing borrowing facilities will enable us to manage cashflow volatility through this period.

- g. We have undertaken scenario planning, looking at a variety of financial scenarios including some with pessimistic assumptions. We are confident that Sightsavers is financially robust even under these negative scenarios, although should the more dire assumptions come to pass, difficult decisions would need to be made. Our operating model is flexible, giving us a range of options should this be necessary. We are performing monthly organisation-wide financial reforecasting, which we are using to inform understanding and decision making.

Note 2 to the consolidated financial statements details a range of activities being undertaken to maximise our financial resilience during the pandemic and to mitigate the risks to our going concern status.

After full consideration the trustees have concluded that Sightsavers has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on the going concern basis.

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Strategy, objectives and activities

We are in the process of reviewing our strategy – having undertaken a ‘look back’ over the last 10 years during 2019. Last year we looked at a series of key ‘exam’ and programmatic questions, and are now undertaking ‘Programme Achievement Audits’ to feed into an overarching programme strategy. We plan to produce this in 2020, update a series of thematic strategies to complement this, and to ensure we are aligned with relevant and recent external thinking, eg the WHO world report on vision and the WHO Roadmap on NTDs, which was originally planned for June but has been delayed until late 2020. We expect to be in a position to publish a revised strategy in early 2021.

The current strategy is shown in our scorecard, or Strategy Implementation and Monitoring (SIM) card (see page 18). Each element has detailed sub-strategies and indicators that measure performance. We will be updating the objectives and indicators in the SIM card as part of the refresh.

There are four ultimate aims shown at the top of the SIM card, which link directly to our objects on health, education and inclusion. The first two are about

governments ensuring eye health and education services (the ‘supply side’) are available to all. The third is about securing equality for people with visual impairments, and governments implementing the agreed conventions. The fourth is the ‘demand side’, covering inclusion and health objectives, and is about people with disabilities being able to seek healthcare.

We then take these aims and look at what we want to achieve for our beneficiaries over the strategic period. At present we undertake demonstration programmes in eye health, education and social inclusion. We have a separate objective to eliminate neglected tropical diseases (NTDs), which is tied to our object on advancing health.

Each of the objectives has ‘lead’ and ‘lag’ indicators, with data collected at least once a year (sometimes six-monthly). The results are set out and discussed later in this report.

Image: Aaron, from Petauke, Eastern Zambia, plays with friends after having his sight-restoring cataract operation.



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Our portfolio

Eye health

We believe affordable health coverage should be available to all. We strive to improve local health systems (defined by the WHO building blocks of health systems) by:

- Improving the delivery of eye health services
- Training health workers
- Distributing medication
- Providing health financing
- Improving health information systems, governance and leadership.

To achieve this, we work alongside organisations such as the WHO's Regional Office for Africa (WHO AFRO), the Africa Health Organisation, the West Africa College of Surgeons and the College of Ophthalmology of East Africa. We also strive to make sure universal eye health is included in national health policies.

In several countries, we work with ministries of health to develop and run district eye care programmes. In some of our larger programmes, we work with international non-governmental organisations (INGOs) such as The Fred Hollows Foundation, Helen Keller

International and Orbis. We also work with non-governmental organisation (NGO) hospitals, particularly in South Asia.

Our district eye care programmes continue to show how we can improve eye health coverage so it is inclusive (both in terms of gender and disability) and sustainable.



Sightsavers-trained ophthalmic clinician Lizzie Mututeka in her clinic at Lusaka Eye Hospital, Lusaka, Zambia.

© Sightsavers/Jason Mulikita

Education

We believe that quality education and lifelong learning opportunities should be inclusive, equitable and available to all. In each of the countries where we work, our education programmes aim to:

- Encourage community members to get involved
- Strengthen disabled people's organisations
- Develop education support systems
- Promote teaching and learning approaches for children and young people with disabilities that are contextually appropriate and focused on the students themselves.

We work with ministries of education, and sometimes other ministries. We also work with universities, community groups and disabled people's organisations.

Social inclusion

Our social inclusion strategy follows the UN Convention on the Rights of Persons with Disabilities. We focus on economic empowerment and political participation, while gender and advocacy are also a key part of all our programmes.

We work closely with disabled people's organisations (DPOs) in the countries where we work and have developed strong partnerships with International Disability Alliance (IDA), Action on Disability and Development (ADD International) and the Institute of Development Studies (IDS).

Neglected tropical diseases

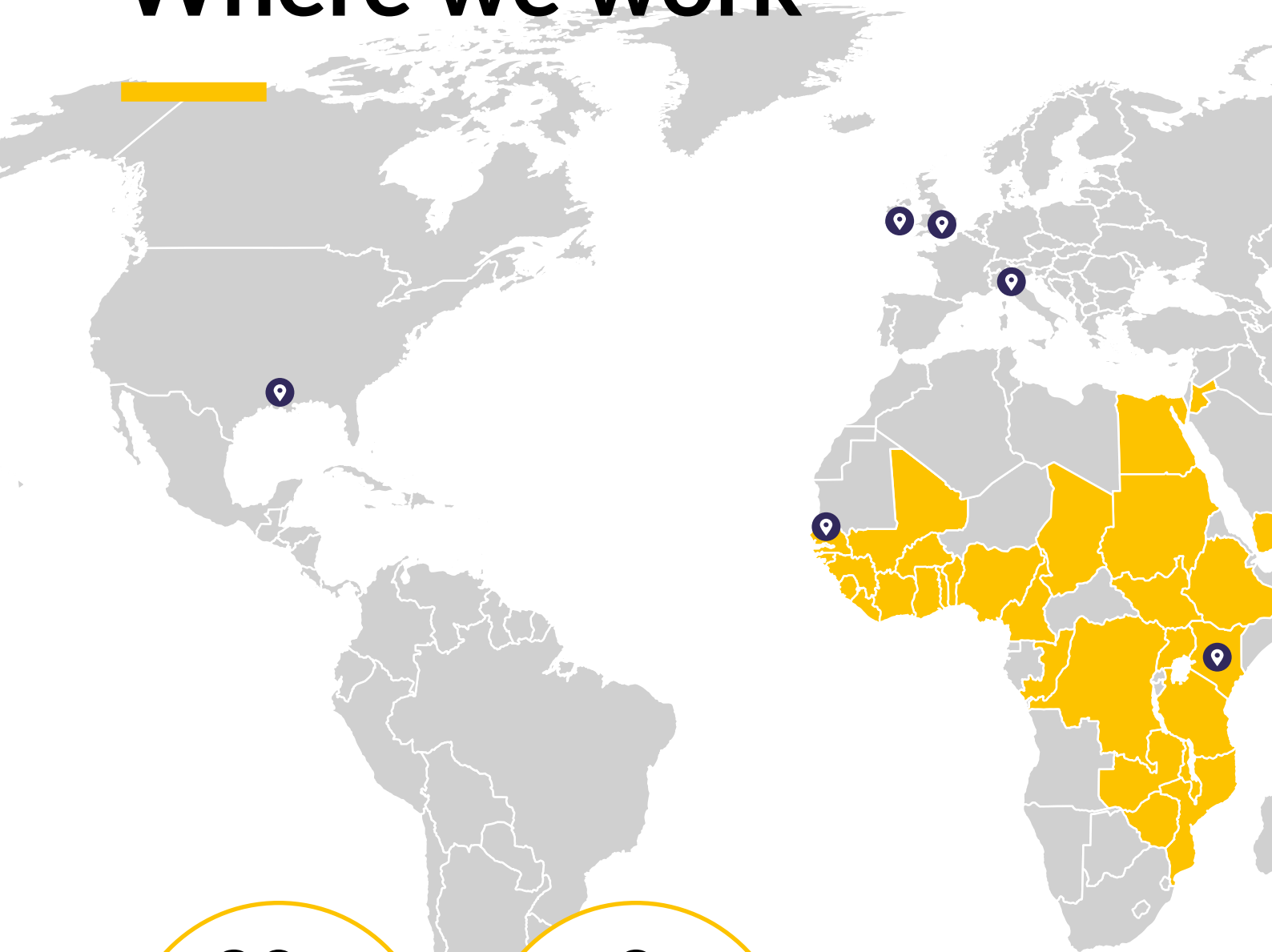
Our NTD work is in line with the current WHO roadmap on NTDs and will be updated to reflect the new roadmap to be launched in 2020:

- Integrate and coordinate NTD programmes in the countries where we work, to eliminate the diseases as part of national master plans.
- Directly fund or coordinate with other partners to fight the five NTDs that respond to preventive chemotherapy: trachoma, onchocerciasis (river blindness), lymphatic filariasis (LF), schistosomiasis and soil-transmitted helminths (STH, or intestinal worms).
- Ensure that NTD projects promote gender equity and are inclusive of people with disabilities.
- Help to develop and improve health systems, such as by ensuring surveillance systems are in place.
- Develop new NTD partnerships, especially those that cross development sectors, such as between NTDs and water, sanitation and hygiene (WASH) initiatives.
- Improve what we learn from our programmes and make sure best practices are shared, both internally and externally.
- Coordinate between all Sightsavers' health programmes located in similar areas, to ensure they are efficient and to manage demands on and sustainable benefits to the local health system.

We strive to ensure our plans take account of other activities by discussing with ministries and reaching out to other donors and partners to understand how their plans can fit with ours.

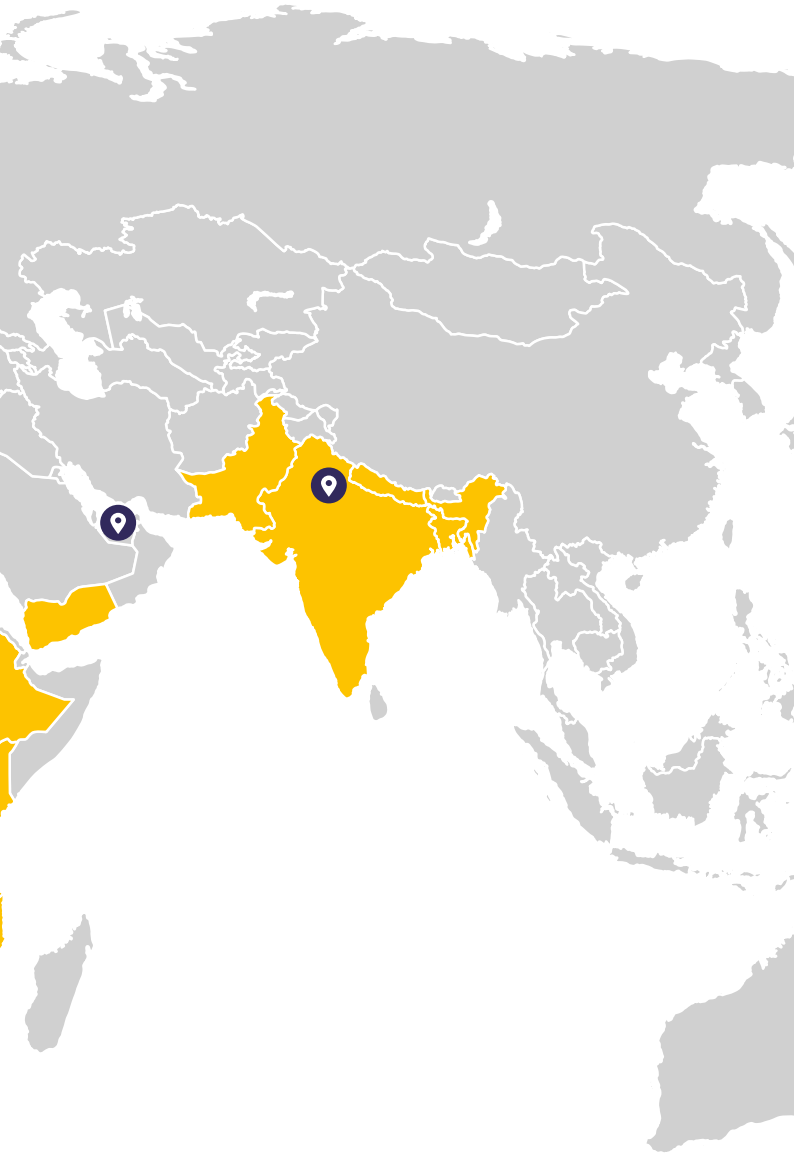
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Where we work



30+
countries
where we
work

8
regional and
support
offices



-  Where we have programmes
-  Regional and support offices

Central Africa

- Cameroon
- Chad
- Democratic Republic of Congo
- Republic of Congo

Eastern Africa

- Egypt
- Ethiopia
- Kenya
- Malawi
- Mozambique
- South Sudan
- Sudan
- Tanzania
- Uganda
- Zambia
- Zimbabwe

Western Africa

- Benin
- Burkina Faso
- Côte d'Ivoire
- Ghana
- Guinea
- Guinea-Bissau
- Liberia
- Mali
- Nigeria
- Senegal
- Sierra Leone
- The Gambia
- Togo

Asia

- Bangladesh
- India
- Jordan
- Nepal
- Pakistan
- Yemen

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Highlights of 2019

Sightsavers has achieved some fantastic milestones in the past year. You can read about these in more detail throughout the report.



Programmes

- We managed a successful transition from a series of NTD contracts closing down to starting up and implementing the new programmes Ascend and Accelerate.
- We saw successful inception and start-up of our large disability initiative 'Inclusive Futures'.

Advocacy

- We supported the WHO's world report on vision which was launched in Geneva.
- We supported the UN in creating a disability inclusion strategy.

Income

- We recorded our highest ever income in 2019: a total of £341 million, with our non-gift-in-kind income exceeding £100m for the first time.

Organisation






- We received Disability Confident level 3 (highest possible) in the UK.
- We received 'Great Place to Work' status in India.








Cataract patients are taken to the Marium Eye Hospital in Kurigram, Rangpur, Bangladesh.

SIM card

Results of beneficiary indicators (for results of all indicators and more details please see website)

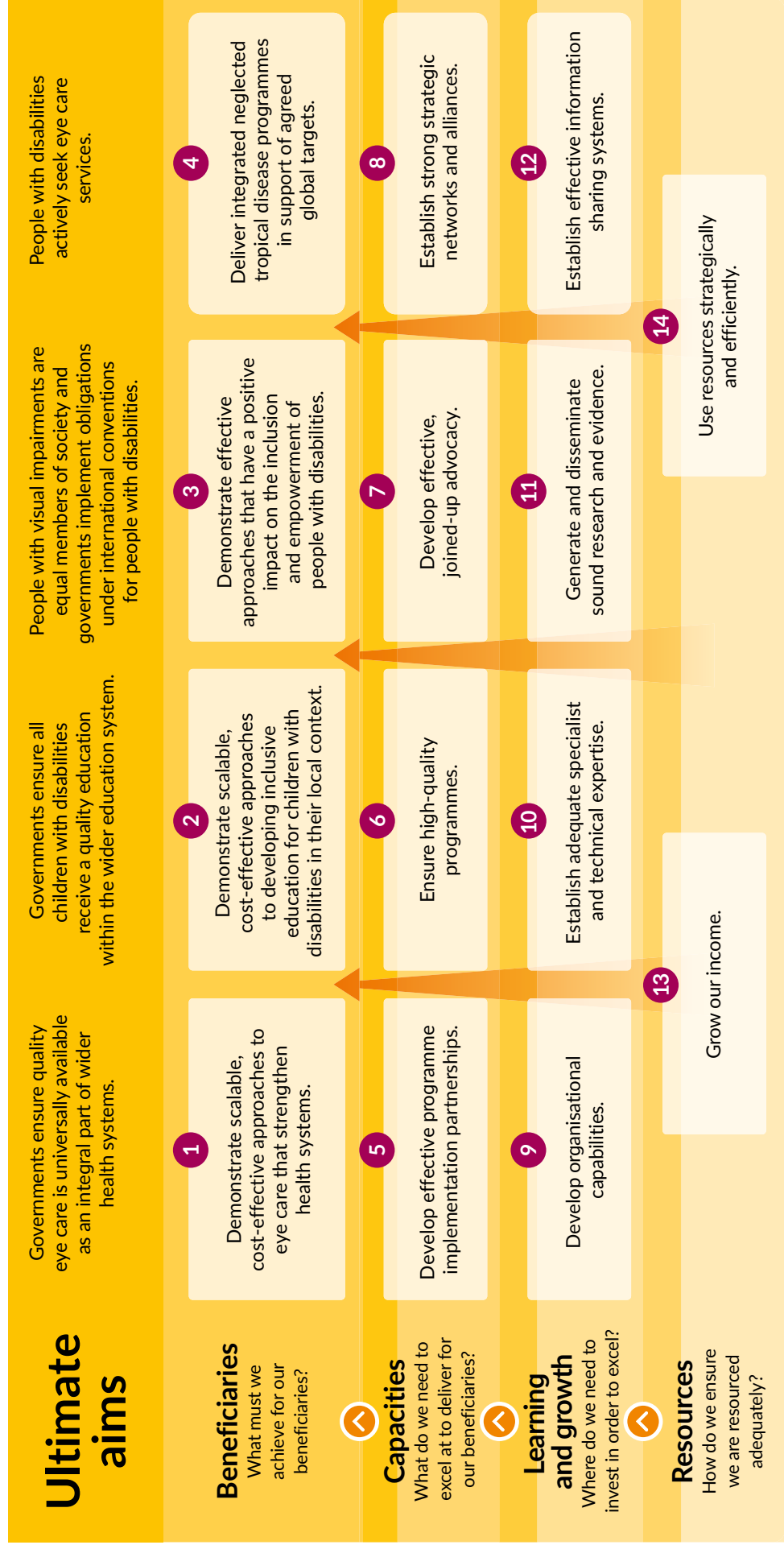
Objective	Indicator	Previous result	Target	Result	Status	Trend	Frequency	Performance notes
Demonstrate scalable cost-effective approaches to eye health	Lag - % of countries where Sightsavers has an eye health project that demonstrate improved access to eye care services that are integrated into health systems, where this can be measured (B01D)	20.00	60.00	25.00	Below Target		Annual	Although the results of this indicator have improved since last year this is still disappointing. However, that is not to suggest that eye health projects supported by Sightsavers are doing badly, or that we are doing less of them. This is a challenging indicator as it looks across the national eye health system as we want to achieve systems-level impact. The primary problem here remains the accurate collection of data, most notably, the national Cataract Surgical Rate (CSR), which is the number of cataract surgeries conducted per million population, per year. This is a crude indicator as it does not tell you about the quality of services provided, nor is it based on the proportion of those that need the service that are being provided that service. However, given the difficulty in getting accurate, year-on-year figures for the CSR, it would not yet be appropriate to move to the more complex Cataract Surgical Coverage indicator. One positive aspect to note is the number of countries where we have an eye health programme, which are actively working to improve data collection.
	Lead - % of countries, where Sightsavers has an eye health project that have contributed to identification of gaps/needs through an eye health system assessment (EHSA) in the last 10 years (B02B)	57.14	68.75	57.14	Below Target		Annual	The score for this indicator is the same as last year, reflecting the reality that as long-term processes, EHSAs are only carried out infrequently. As a strategically focused indicator, this measures processes across the national system, rather than district- or project-level assessments, which are done as a matter of course in planning projects. So it should not be taken as an indicator of the evidence base used for Sightsavers projects, but as an indicator of the health system to which we contribute and should be working to support the ministry in improving. It is important that all countries where we work have this national-level perspective and our programmes should be addressing this in advocacy work.
	Lead - % of countries, where Sightsavers has an eye health project that has contributed to identification of gaps/needs through a prevalence survey in the last 10 years (B02C)	85.71	80.00	85.71	On Target		Annual	This is an indicator where we have achieved strong performance over the last two years in particular, but shows a strong trend of growth in ensuring we have a solid evidence base for our programmes.
	Lead - % of health projects with clearly defined strategies to improve access by people with disabilities (B02E)	36.11	30.00	45.45	On Target		Annual	The results shown demonstrate a continued increasing focus on ensuring our eye health programmes are designed to be accessible for people with disabilities.
	Lead - % of health projects that reach more females than males (B02G)	46.88	51.00	46.43	Approaching Target		Annual	This indicator has only been collected for the past two years, following a move from measuring strategies to improve gender equity in surgery access. Therefore, although there is a slight decline in numbers, it's clear there are plans in place to address this country by country and such changes do take time as they involve a range of cultural, political and financial barriers. In some projects, progress towards improving equity has been made, even though they have not yet reached parity or over-parity and therefore cannot be scored positively.

Objective	Indicator	Previous result	Target	Result	Status	Trend	Frequency	Performance notes
Demonstrate scalable approaches which promote inclusive education	Lag - % of countries, with education projects where government has an education policy in line with the United Nations Convention on the Rights of Persons with Disabilities (B03A)	30.00	30.00	37.50	On Target		Annual	Results in this area show a continued trend of growth in the policy environment in which we are operating, which is partly reflective of Sightsavers' programme implementation and influencing work, but is also due to the work of other organisations, which are much of the time working collaboratively or towards the same aims.
	Lead - % of education projects that are suitable for replication/adoption by government or other service providers (B04)	80.00	85.00	100.00	On Target		Annual	The continued trend of improving the quality of our education work and ensuring it is designed with replication in mind, alongside our strategic approach, is very positive. We will continue to work across programme and technical groups to ensure that we are doing all we can to ensure our approaches are evidence-based, positively impacting on education access and quality, and embedded at a national level.
	Lag - % of countries that meet at least four of the eight criteria on our social inclusion index (B05B)	53.85	69.00	80.00	On Target		Annual	This is a complex indicator and measures a range of aspects of social inclusion. It is also always going to be one where we are contributing to the wider social/political/economic environment and not responsible for it. Nonetheless, reaching the 80% threshold suggests much of what we, our partners and other agencies working in the sector are doing, often working alongside government, is heading in the right direction.
	Lead - % of countries (where we run social inclusion and/or education projects) that can demonstrate effective inclusion and empowerment of people with disabilities (B06C)	75.00	80.00	90.00	On Target		Annual	These results show encouraging multi-annual improvement in the quality of our own programmes, throughout the planning and implementation cycle.
	Lead - % of health, education and NTD projects with clearly defined social inclusion strategies to include people with disabilities (B06D)	64.36	65.00	56.64	Approaching Target		Annual	This is a comprehensive indicator and as such is a good indicator overall of how clearly Sightsavers is embedding the concept of inclusion across more mainstream programmes. This has shown a slight decline this year, which is surprising given the new NTD programmes coming online have 'leave no one behind' strategies attached and that inclusive eye health is broadening as a concept. Some of this may be down to more stringent criteria being used to judge positive scores for each project. Overall, the decline is slight, and we will need to review again next year to see if we go back onto the trend of gradual improvement.
Demonstrate approaches that impact positively on inclusion and empowerment of people with disabilities								

Objective	Indicator	Previous result	Target	Result	Status	Trend	Frequency	Performance notes
Deliver integrated NTD programmes in support of agreed global targets	Lag - % of countries, where Sightsavers supports specific NTD disease projects that are meeting national milestones to eliminate or control these specific NTDs (B08A)	91.67	90.00	92.59	On Target		Annual	Overall, the progress here is good and above target. The scope of work has increased with new countries coming online and in their inception as part of DFID's Ascend project (e.g. Central African Republic, Chad). These new countries are not currently meeting targets as treatment has not started - the first round of mass drug administration (MDA) is due in 2020. Some countries in conflict (e.g. Sudan, South Sudan) are unable to meet targets. Togo failed in its trachoma dossier submission - we are supporting the production of the second dossier, which we hope will be approved in 2020. The Gambia's trachoma elimination dossier is delayed and subject to re-drafting for presentation to the WHO in 2020.
	Lead - % of projects which meet or exceed their MDA targets for therapeutic and geographical coverage (B07B)	92.31	95.00	86.67	Approaching Target		Annual	While progress has been good in the majority of countries, a number of NTD programmes have been unable to provide services because of insecurity (Cameroon and South Sudan) while others have not conducted MDA because of delays by the Ascend East project (managed by Crown Agents) to contract for delivery partners (e.g. Sudan and Zambia). Ascend West countries are now operating as an integrated disease project which has increased the disease portfolio in those countries - MDA for that project was due to start in 2020 with preparation only in 2019.
	Lead - % of NTD projects with clearly defined strategies to improve access by people with disabilities (B07C)	80.00	80.00	57.69	Below Target		Annual	While the majority of countries do have a strategy as part of community-directed programming for NTDs to improve access by people with disabilities, we still have a long way to go before this is the case for all projects. We have further been more demanding in the evidence to show that this programming is in place. The Ascend project in West and Central Africa has this issue as a core element of the programme and with the learning from the UK Aid Match programme covering LF, we will see a marked improvement in this area of work in 2020.

SIM card: Strategy map

Our vision: No one is blind from avoidable causes; visually impaired people participate equally in society.
Our mission: To eliminate avoidable blindness and promote equality of opportunity for disabled people.



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Output statistics

Global output statistics summary*		2016 totals	2017 totals	2018 totals	2019 totals
Eye health	People examined	12,052,091	14,093,230	16,364,038	11,542,420
	Operations performed (cataract, glaucoma surgery, diabetic retinopathy, trichiasis and other general eye operations)	344,313	389,490	425,165	473,373
	Operations for cataracts	260,930	316,243	355,630	403,346
	Spectacles dispensed	286,774	383,117	456,934	493,186
Neglected tropical diseases	Treatments for trachoma	24,690,187	27,604,538	17,663,974	28,538,035
	Treatments for river blindness	46,918,726	48,155,576	40,272,072	42,744,697
	Treatments for lymphatic filariasis	60,113,118	56,561,328	45,187,264	50,085,660
	Treatments for soil-transmitted helminths	16,728,965	11,873,445	3,913,216	5,890,582
	Treatments for schistosomiasis	5,773,756	13,039,523	6,521,477	15,332,416
	Total NTD treatments	154,224,752	157,234,410	113,558,003	142,591,390
Education/inclusion	Children who are blind, have low vision or other disabilities being supported in school	5,162	7,752	8,362	13,535
	People who are blind, have low vision or other disabilities who received training (eg daily living skills, mobility and orienteering, vocational training or rights and entitlements training)	13,124	13,359	22,716	20,927

Global output statistics summary*		2016 totals	2017 totals	2018 totals	2019 totals
Human resources	Health workers trained to gain initial professional qualification (includes ophthalmologists, cataract surgeons, ophthalmic clinical officers/ ophthalmic nurses, optometrists, low vision specialists and technicians)	67	39	25	12
	Professionals supported on eye health short courses	54,040	72,781	64,440	82,816
	Professionals supported on education or inclusion short courses	6,161	60,479	30,486	94,533
Volunteers	Total number of village-level volunteers trained (includes community distribution of treatment, primary eye care, education and inclusion courses)	259,670	267,972	248,885	269,241

*statistics from prior years may have changed from previous reporting due to updated information.

Commentary

A Eye health

For many years the majority of eye health examinations undertaken by Sightsavers has been conducted under the Lady Health Workers (LHW) project in Pakistan. In 2019, this project underwent a strategic redesign and began reporting only examinations conducted by trained community-based medical professionals that are attached to rural health centres. This process has strengthened our data in Pakistan and facilitated an audit trail back to individual health facilities. Based on this change to the methodology, the project registered a drop of 4.9 million, which was expected, and accounts for the entire decline in this indicator from the 2018 figure.

Performance year on year has increased in Sierra Leone (55,112, +151 per cent) due to the continued improvement in eye care service delivery in the communities, strengthening the referral system through the National Eye Health Programme in collaboration with local partners. In Liberia there was a large increase (37,446, +148 per cent), as we have introduced, for the first time in the country, social mobilisation activities targeting school-aged children.



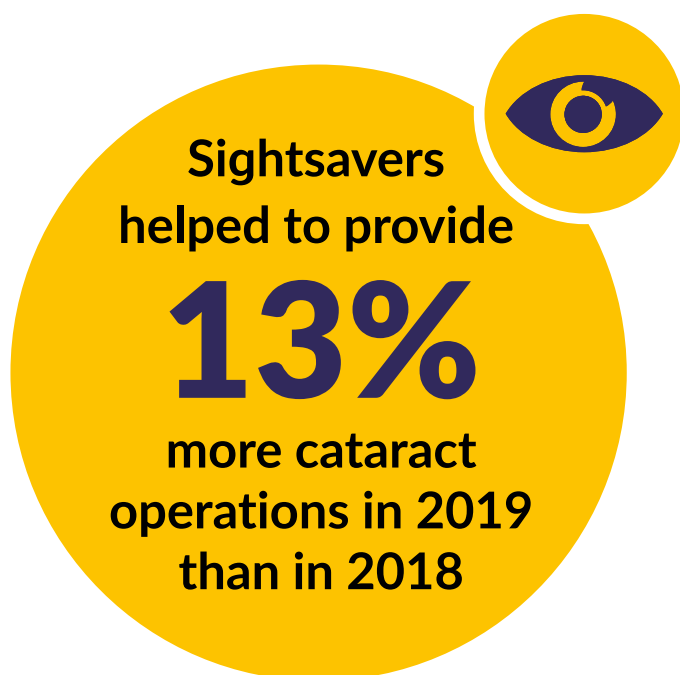
Kalpana Das gets her eyes checked at the vision centre on Sagar Island in Sundarbans, India, after being referred from a Sightsavers screening camp.

India saw major increases in the number of examinations. Notable increases were in West Bengal rural eye health (100,714, +93 per cent) and Odisha rural eye health (37,559, +103 per cent), where we provide support to 59 Governmental Community Health Centres.

The number of cataract surgeries supported increased by 13 per cent from 2018, taking the total to more than 400,000. Over 90 per cent of cataract operations were conducted in South Asia, with Uttar Pradesh the largest contributor. In Africa, 26,131 surgeries were performed, which is a 5 per cent reduction on 2018 surgical output. This reduction has been caused entirely by the ending of the CATCH programme, with almost 5,000 fewer cataract surgeries being conducted in East Africa than in 2018.

The number of non-surgical eye health treatments delivered in 2019 increased by 15 per cent. This rise was driven by an increase in treatments administered (covering treatments for minor conditions like conjunctivitis) primarily in Pakistan and Bangladesh.

Spectacle distribution increased by 8 per cent, reaching close to half a million pairs in 2019, with India responsible for 95 per cent of all those distributed. Also notable are the number of pairs of spectacles distributed in West Africa, where Sierra Leone distributed 10,780 pairs (+63 per cent) and Liberia 4,445 (+92 per cent).



Sightsavers
helped to provide
13%
more cataract
operations in 2019
than in 2018

B NTDs

Our treatment delivery has increased by 26 per cent from 2018. This reflects an expansion of activities under the UK government-funded Ascend and GiveWell programmes, with treatments increasing year on year for all diseases. However, overall performance is projected to be lower than the original plans for each disease due to significant delivery challenges. For example, in Nigeria's Benue state, the Mectizan® for the 2019 treatment round for river blindness was not received in time. Some drugs were obtained from leftover supplies from neighbouring states to treat five local government areas (LGAs) of the 23 endemic LGAs. Benue received their Mectizan® in January 2020 and treatment for the other LGAs will be conducted in Q1 2020.

Trichiasis surgery totals have decreased slightly compared to 2018. Our DFID SAFE and Queen Elizabeth Diamond Jubilee Trust trachoma programmes have now come to an end, but their work is continuing, in applicable countries, through our Accelerate programme, and in Chad and Nigeria through the Ascend programme. This was on target due to a concerted effort for delivery in the latter half of the year, notably in Nigeria. However, a delay in the training of surgeons and the procurement of necessary consumables impacted the provision of surgeries in Benin, Cameroon and Senegal.

C Education

India is responsible for 78 per cent of annual performance in this indicator, with an increase from 6,402 children in 2018 to 10,607 in 2019 (+60 per cent). In Jharkhand, the programme expanded into two additional districts beyond the initial plan, reaching 4,393 more children in 2019 than 2018.

In Sierra Leone, existing partnerships in Bombali District and community ownership led to an increase in enrolment and retention of children with disabilities across the project pilot schools. In 2019 we enrolled 826 children into mainstream schools, and we continued to see progress with a large number of children reaching their learning goals.

D Social inclusion

The majority of adults with disabilities receiving training are in India, with a small amount of vocational training also taking place in Uganda, Cameroon and Senegal.

E Human resource development

Newly qualified professional eye health workers include: three new ophthalmologists (two in Mali and one in Sierra Leone); two cataract surgeons and one ophthalmic clinical officer in Tanzania; and six ophthalmic nurses (three in Liberia and three in Zambia).

The number of professionals supported on education or inclusion short courses has increased by 210 per cent from 2018. The Inclusive Education Project in Bihar represents 66 per cent of the total for this indicator, with 60,023 people trained. The project almost tripled the number of classroom teachers and assistants receiving training. Our implementation partner, a government body, was very supportive and helped in identifying the large number of teachers.

In Odisha state, under their inclusive education programme, the entire cost of the district- and block-level training was met by the state government. This allowed the training to be scaled up and helped us exceed the targets for this indicator. In Odisha we planned to reach 5,000 classroom teachers and assistants, but in the end we were able to train 25,014 (+550 per cent).

Fundraising

The relationships we have with our supporters, and the kind donations they give, are vital to the work we do and the people that benefit from them. It is this support that is front and centre when we develop our fundraising programmes. We aim to be transparent in everything we do, ethical in our approach and efficient with our fundraising budgets. We are always conscious of the responsibility we hold towards our supporters, alongside our beneficiaries, and do our best to make those relationships as meaningful and positive as possible.

With efficiency in mind, we regularly update our return-on-investment analysis, allowing us to see which channels are performing best across our global fundraising markets. This allows us to be flexible with our investment and make quick decisions, optimising our activity. This agility enables us to maximise the return on our spend, in turn allowing us to raise more money and deliver more support for our beneficiaries.

While most of our work is done in house, there are occasions where it is cheaper and more effective to work alongside professional fundraisers and commercial organisations. All contracts and partnerships that we enter into are subject to due diligence and close management. External partners are subject to regular visits and training from the fundraising team and are expected to deliver against closely monitored service level agreements. We require third-party organisations that we may use to perform or support fundraising activities on our behalf to sign and adhere to our organisation supplier code of conduct.

Sightsavers is a member of the Fundraising Regulator and the Direct Marketing Association and abides by the direct marketing code of practice and the fundraising code of practice.

In our international offices, Sightsavers is registered with the fundraising regulators in their respective countries, where there is one.

In 2019, Sightsavers received 48 fundraising complaints from members of the public. These were all received and resolved by us; none were received from the regulator. We continue to put significant effort into supporter care and take all feedback seriously. We undertake to respond to questions and complaints in a timely manner and in 2019, we responded to most complaints received via email or telephone within 24 hours, and those received via letter within a week.

We also take our responsibility to protect vulnerable people seriously. We follow guidance issued by the Institute of Fundraising about treating donors fairly, and we make sure all our agency partners are fully aware of this. We also have a Safeguarding policy, which includes a copy of our Code of Conduct; and a Supporter Promise, which set out our approach to protecting our beneficiaries and supporters and are publicly available on our website.



To see our animation explaining our safeguarding policy please visit: www.youtube.com/watch?v=fAa4oc31Vgo&feature=emb_logo

Environment

Sightsavers is continuing to strengthen its environmental management system and policy. We are conducting a range of environmental impact assessments across our countries. These assessments feed into Country Environmental Plans, which are being developed by country offices, and a network of environmental leads are being established to implement these plans. Globally, environmental reporting is underway with an emphasis on calculating our impact from travel and energy usage. In addition, an Environmental Working Group has been established in the UK office to address areas such as waste management and recycling.



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Progress towards planned objectives

Delivering for our beneficiaries

Ensure the major contracts (Accelerate, Ascend, Disability Inclusive Development and Inclusion Works) all pass smoothly through the inception phase to start-up, meeting their agreed milestones. This will need to include expanded capacity within the various teams and countries.

Ascend and Accelerate, with total combined project budgets of £172 million, work in 19 African countries. We also have trachoma work in Pakistan and the Pacific islands as part of the Commonwealth Summit Fund. Completing inception planning activities for both these programmes was a massive undertaking. During 2019, Accelerate moved from inception into implementation with comprehensive plans for the upcoming period approved by the donors and the international team in place based in the UK and 12 other countries.

Ascend is a consortium programme with partners including Liverpool School of Tropical Medicine, Mott MacDonald and the Schistosomiasis Control Initiative Foundation. This added a further layer to the planning process as we learned from

each other and established the frameworks to collaborate effectively together. 150 inception deliverables were developed and submitted to DFID after an inception period of just over three months. The payment-by-results programme has also moved rapidly to implementation now that the plans have been approved.

The first half of 2019 was a particularly busy time. We had to complete four significant programmes funded by DFID and the Queen Elizabeth Diamond Jubilee Trust, with a total funding of over £96 million. At the same time, we were navigating through inception for our two new flagship NTD programmes: DFID Ascend and Accelerate (as well as new disability programmes funded by DFID).

Ensure the contracts coming to an end (UNITED, DFID SAFE, the QEDJT Trachoma Initiative) all end well, with satisfied donors and programme targets met.

The older programmes completed to schedule with ambitious targets achieved and some excellent scores. The award-winning DFID-funded Integrated Programme Approach to Control a range

of Neglected Tropical Diseases in Nigeria (also called UNITED) and the UK Aid Match-funded 'Reducing prevalence of river blindness and elephantiasis and improving the lives of poor people in DRC, Guinea-Bissau, Nigeria and Uganda' both scored A+, having exceeded DFID's expectations. The UNITED programme delivered 158 million treatments altogether. We also received the following feedback from the Queen Elizabeth Diamond Jubilee Trust:

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To see such a well-managed and coordinated programme at this scale is truly inspiring.

Develop and strengthen our eye health programmes, using the various new funds that have become available.

Through new sources of funding we have been able to further support our ministry of health partners in Africa to strengthen the eye health system to deliver services to those who need it the most, including people with disabilities and other marginalised groups. Through support from DFID under a new UK Aid Match grant, we started a new inclusive eye health programme in the Singida and Morogoro regions of Tanzania, and new programmes in underserved areas of Uganda and Malawi supported by the People's Postcode Lottery (PPL) fund. We were also successful in securing further UK Aid Match funding for

a new and expanded inclusive eye health programme in Uganda and Malawi, and were able to maximise this funding through a successful Christmas fundraising appeal.

We have stepped up our school health integrated programmes (SHIP) to ensure children do not miss out on learning because of poor vision. Through these programmes, we work with teachers to screen children in schools and provide referrals for a mobile team of optometrists to dispense glasses and treat eye conditions. In 2019, we started a new programme in Pakistan, building on learning from existing programmes in India, Liberia, Nigeria, and Tanzania.

On World Sight Day in 2019, we launched 'Keep Sight,' an exciting new initiative to address glaucoma, in partnership with Allergan and IAPB. Despite being a leading cause of avoidable blindness, glaucoma goes largely unaddressed in low- and middle-resource settings. Keep Sight has started in two countries with some of the highest unmet need for glaucoma treatment: India and Nigeria.

A significant donation from an individual donor has underpinned a major part of our eye care work in South Asia and is also being used to support the construction of an improved eye health facility in Uganda.



Ferdoshi was given free glasses after a school screening in Kurigram, Rangpur, Bangladesh.

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Increasing our capacities: areas where we need to excel

Work with the Bill & Melinda Gates Foundation and its consultants to relaunch the Uniting to Combat NTDs partnership and associated secretariat (formerly Support Centre).

Uniting to Combat Neglected Tropical Diseases successfully established a new governance structure for the partnership. A new Board and advisory group, called the Consultative Forum, are now in place and publicly announced. As the host organisation for the partnership, Sightsavers is an observer on the new board. The partnership is working on a new strategy and operational plan in support of the new WHO Roadmap on NTDs and on the successor to the London Declaration on NTDs.

Develop our evidence base and put evidence into practice in programmatic decision-making and quality improvement.

We received an additional grant from DFID and five new grants from the Task Force for Global Health to support a range of studies towards elimination of NTDs, with a total value of over \$1 million. In Liberia we worked with the ministry of health to collect evidence on transmission of lymphatic filariasis in urban areas to help the country to develop strategies for treating populations in this context. In Cameroon, we used innovative GIS methods to map and treat nomadic communities shown to be at high risk of

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Local entomologist Njikam Soulé investigates the river Nja, in Cameroon, for larvae, in order to map the transmission of river blindness.

transmission of river blindness. In Nigeria, we started exploring new approaches to prevention and treatment of female genital schistosomiasis and care for patients suffering from the devastating impacts of lymphatic filariasis.

We also continued to invest in building evidence on disability in low- and middle-income contexts. In Pakistan, we supported the national government to conduct surveys on visual impairment across the country. The surveys integrated new tools to measure relative wealth and disability and to assess how blindness and visual impairment affect people with disabilities and those living in the poorest households.

Our randomised controlled trial in southern Malawi evaluated the impact of disability-inclusive education programmes and showed that training of caregivers in disability-inclusive practices has a positive effect on psycho-social development of young children and can potentially reduce the risk of developmental delays. The study also collected previously unknown data on the prevalence of disability among pre-school children aged two to six. Such evidence is of critical importance to guide national and international efforts on disability-inclusive development.

In 2019, our research has been disseminated through 21 publications in peer-reviewed journals and over 30 presentations and posters at international scientific fora.

Support the new leadership at the International Agency for the Prevention of Blindness (IAPB), working with the WHO to deliver the world report on vision.

In addition to our governing role on the Board of Trustees, Sightsavers provided technical and financial support to IAPB to help further its objectives and ensure access to eye care for all.

The world report on vision, published in October 2019 by the World Health Organization, was a critical area of engagement for Sightsavers. Working with other IAPB members, including Fred Hollows Foundation, we provided significant policy and technical inputs to the draft Report, the first ever global report on the global magnitude and impact of eye conditions and vision impairment. We worked with governments to secure a Resolution on the Report, due to be agreed at the World Health Assembly in 2020.

Work closely with the UN to support the development and launch of a system-wide Action Plan on Disability.

In June 2019, the UN launched its first disability inclusion strategy. The UN Disability Inclusion Strategy (UNDIS) outlines the UN's commitment to disability-inclusive development, and is accompanied by a clear accountability framework. Given the level of ambition set out in the strategy and the scale of the UN's work, this initiative has the potential to transform the rights of people with disabilities globally. As members of the International Disability and Development Consortium, Sightsavers fed into the development of the UNDIS and the technical guidance notes that accompany it. We have also supported effective implementation, including by ensuring that the UNDIS is included in a UN Resolution and that the UN Secretary General will be required to report against progress. We will continue to work closely with a range of partners to ensure that the UNDIS is implemented effectively.

Ensure large contracts we manage are optimised financially and programmatically to maximise cross-learning. We will involve other organisations leading similar consortia to ensure coherence across the NTD sector.

We strengthened the global support team responsible for supporting monitoring across our core programmes to ensure that we can implement more structured and joined-up learning from the implementation of our programmes. We did this by merging the previously separate monitoring and evaluation teams into a single monitoring, evaluation and learning team that is able to look at performance across the full programme cycle to draw out key learnings from each programme. The team aims to develop clear consolidation of the lessons that we are learning thematically and geographically, ensuring this understanding is available across the organisation and is fed back into new programme design.

We also increased overall capacity in the team, bringing on new staff members and creating two elements to the team – one focusing on operational monitoring oversight and the other focused specifically on evidence and learning. This latter part of the team looks to ensure that learning processes and opportunities are built into our monitoring work across the lifetime of our projects. The team works closely with technical leads and the research team to ensure that there is a comprehensive and joined-up approach to learning. The team has had a key input into the 'learning into practice' review group that was set up as part of the overall strategic review. The team is working to strengthen the programme oversight reporting process, so that it remains fit for purpose despite the pressures of our growing portfolio, and is working to generate more meta analyses of our projects so that common themes can be shared and understood better.

We are working in close collaboration with organisations leading the parallel USAID NTD programmes (Act to End East and West) to ensure synergies, particularly in the delivery of activities to strengthen national health systems. With ESPEN, we are supporting development of the ESPEN portal, ESPEN Survey Support Services and regional training and workshops. Our Ascend programme is organising learning webinars to ensure cross-programme learning – for example on national NTD data systems – and in 2020 is launching a learning and innovation fund to help turn innovative ideas into reality and accelerate progress towards control and elimination.

Tap into media contacts and expertise brought by new chair Sir Clive Jones.

Sir Clive was able to help us arrange media training for the CEO and various directors to tackle difficult interviews. John Stapleton, a highly respected UK journalist, put us through our paces with media interview training! Sir Clive also wrote a blog for the Sightsavers website about his visit to our truckers programme in India.

We are reviewing possible opportunities around documentary making and celebrity endorsements.



David and Odame from the Ghana country office talk about their work.

Learning and growth: areas where we need to invest to achieve excellence

Provide further professional development for staff taking on the role of designated safeguarding lead (DSL) across the organisation.

Sightsavers has continued to upskill and support the 24 designated safeguarding leads who manage partner compliance on safeguarding and run safeguarding training with key stakeholders and implementing partners.

Since July 2019, the safeguarding leads have been consolidating their confidence, skills and expertise by running safeguarding training events with partners, using a suite of materials developed for this purpose. We refreshed and rebranded our safeguarding video, which was developed originally by Sightsavers India. All safeguarding leads are using this as a core training resource, not only for themselves, but also for other finance and programme staff, who use it during visits with partners. We began to develop and make more use of visual aids, such as posters and leaflets, which can be shared with partners and displayed at programme and project sites.

There are annual face-to-face trainings for the designated safeguarding leads and quarterly calls with each of them. These calls and training allow the country office teams to feed back on their experience. The aim is to provide a forum for continuous learning and development across the business, while ensuring that systems and procedures are effectively maintained.

Achieve Disability Confident Certification level 3 in the UK.

The Disability Confident Scheme is a UK government initiative that provides public recognition and accreditation to employers that identify the potential of people with disabilities and take action to attract and retain these individuals. Level 3, or 'Disability Confident Leader' status requires an external assessment. As a leading advocate for the rights of people with disabilities Sightsavers seeks to be an employer of choice for disabled people and based on work in 2019, we achieved Disability Confident Leader status in February 2020. Sightsavers is one of only two international NGOs to have achieved this accolade.

Introduce a wellbeing package for staff to help alleviate stress and promote mental health.

A global wellbeing taskforce was launched in 2019, led by the CEO. This group reviewed and promoted various initiatives that had been in place but were not well publicised (e.g. occupational health services). Various new initiatives were put in place such as discounted gym membership, a meditation app, increased numbers of mental health first aiders (including a number who can help internationally) and the creation of a Wellbeing Hub so that all employees can access a lot of useful information about wellbeing. We will be looking to expand this as COVID-19 leads to more and more of our staff working from home.



Dr Erin Pritchard, who has dwarfism, visited Sightsavers to speak about her research into the condition and how it is often contested as a disability.

Achieving Disability Confident Leader status

Sightsavers attained Disability Confident Leader status by undertaking a range of activities including:

- Advertising vacancies with a specialist jobs board that targets candidates with disabilities
- Setting a disability confident expectation with the recruitment agencies we work with
- Working with local Job Centre teams in the UK
- Piloting alternative application and selection methods to encourage applications from neurodiverse candidates
- Raising awareness internally through an interdepartmental Social Inclusion Working Group
- Hosting talks by external speakers on a diverse range of disabilities
- Engaging an occupational health provider that understands the work of NGOs
- Providing disability awareness training for new starters
- Creating an online wellbeing hub for all staff, and much more.

While Sightsavers is proud to have achieved Disability Confident Leader status, we are keen to continue to innovate and further develop our approach to attracting and retaining talented individuals with disabilities.



Review the current strategy, looking back on lessons from the past 10 years, the current situation and trends affecting our sector, and developing answers to key questions. We will produce an updated SIM card, programme strategy and a number of revamped processes.

In 2019 Sightsavers launched its Strategy Refresh process. Last year we assessed our progress over the last 10 years to identify what could have been done better, calibrate where we stand as an organisation against evolving sector trends, and determine the implications going forward. The process involved three activities: the 'lookback', horizon scan, and ten exam question working groups. The working groups helped answer a set of key questions for the organisation and surface new ideas and opportunities. The questions addressed a range of topics, from how we can maximise the use and learning of evidence collected and what the optimal working model is for us and our consortia partners, to how we can effectively engage in challenging operating environments. The findings from all three components of the refresh helped us prioritise and inform the strategic initiatives now being taken forward in 2020. We will need to assess whether we need to make any changes in strategy as a consequence of the COVID-19 pandemic.

We decided to take more than one year to finalise the strategy, so we could involve a larger group of employees – especially as many people were not at Sightsavers when the last strategy was devised – and to allow us properly to consider the changing external landscape.

We have begun work to map out the data that helps us measure programme achievement and identify where we have gaps and how we can best fill them. Findings from this exercise will also inform the review of the Sightsavers SIM Card. We will fine-tune our strategic objectives and related indicators, ensuring they

continue to be fit for purpose. In 2020 we will also see the development of an overarching programme strategy. This will bring together the key aspects of the five thematic areas in which we work: uncorrected refractive error, eye health, social inclusion, education and NTDs. It will be used as an external communications tool to easily explain why we do what we do at a programmatic level to a variety of our partners. From this programme strategy will then flow the review of our thematic strategies, the more detailed roadmaps of each of the key areas in which we work.

Develop the next-level treasury management system to support the liquidity and financing of the organisation through the new contracts. Update the treasury and reserves policies.

Work has continued apace to improve the resilience of treasury management activities across our operations. We have invested in building capacity within the treasury function itself in response to business growth and increased compliance and regulatory complexity surrounding international payment processing. Systems development is now underway and an integrated treasury management system linking directly to our banking platforms is expected to be in place during 2020.

The treasury policy was updated and approved by the board in October. Major changes included the introduction of a liquidity risk management section, and the description of management and reporting of a borrowing facility which is now in place to support finance of working capital required for some UK government contracts where payment is made by government in arrears.

Liquidity reserve requirements were captured in the updated treasury management policy and as such, the reserves policy did not need to be amended in 2019.

Resources: funding our work and ensuring efficient and strategic use of resources

Sightsavers fundraises in the UK and India, and has fundraising subsidiaries in Ireland, Italy, Norway, Sweden, the UAE and USA. Information about their registration, relationship with the UK charity and financial performance is contained within the financial accounts.

Continue to improve fundraising performance, monitoring returns across all our markets and fundraising channels.

Individual giving continued to grow across all our markets except Sweden. Our regular reporting and monitoring has enabled us to be agile in our approach to investment and optimise our activity throughout the year. This agility will be a critical factor as we tackle the COVID crisis.

Income from major giving channels was over £16 million, representing a 93 per cent increase on our 2018 performance, and our most successful year across these income streams ever. Significant contributions came from GiveWell, People's Postcode Lottery as well as an individual donor giving us a substantial personal donation.

Implement a category-management approach to purchasing and supplier management.

Ensuring we have accurate and complete demand planning data for our programmes has been a key focus for the programme supply chain team, and to this aim we rolled out Programme Procurement Planner (PPP) late 2018. This has enabled us to gather 2019 demand for programmes early in the year and to develop more of a category-management approach to purchasing. This entails streamlining our suppliers and investing in relationships and partnerships with only key selected ones,

negotiating better deals, fixing prices for the medium term and ultimately signing long-term agreements (LTAs) to ensure the goods our programmes need are available when required for the best price. Through implementing this approach, we are also seeking demand aggregation opportunities to achieve economies of scale, achieving better value for money across the board.

We have achieved some tangible savings through this new approach. For example, we were able to purchase vehicles needed in 2019 in bulk, achieving a discount of 3 per cent. For spectacles, we also benefited from discounts through bulk buying with our leading spectacles suppliers Vision Springs and Essilor for the whole year (10 per cent saving across the category in 2019).

There were also some indirect benefits in shifting to this new purchasing approach. Prices for medical products were negotiated and frozen for 12 months with a few of our key medical suppliers based on estimated 2019 demand data, which helped minimise turnaround times. We also have benefited from economies of scale on shipment/freight costs by consolidating shipments to countries.



Thanks to players of People's Postcode Lottery, health workers like Mai Mai are able to screen whole communities for eye conditions and refer people for cataract surgery.

Develop our digital fundraising skills and resources to enable us to optimise our growing digital activity across all fundraising markets.

Our digital fundraising team expanded in 2019, enabling us to have dedicated focus for all markets and provide global support to fundraising teams outside of the UK. The number of donations made online increased by 35 per cent in 2019, with several new types of activity and initiatives tested in different markets, and improvements made to the donation experience on our websites. Established digital activities also benefited from more focus and expertise, including email marketing, where we saw an increase in directly attributable income of 50 per cent.

Continue to establish our presence in Nordic countries while ensuring we manage our relationships with regulators.

Our fundraising efforts in Norway are bearing fruit and activities are increasing. We now have a full-time Norwegian staff member based in Oslo. Unfortunately results in Sweden were not so good, and returns were not meeting our internal thresholds. We took the difficult decision to close down the operation, which we will be doing over the course of 2020.

Increase philanthropic income for our eye health programmes from trusts, major donors and corporate partners, and deliver best-in-class stewardship of our existing major donors and account management of our corporate partners in the UK, US and Middle East.

We secured significantly more funding for our eye health programmes from trusts, major donors and corporate partners in 2019, including a number of multi-year grants. Highlights included: a commitment of £1.9 million from People's Postcode Lottery to various eye health programmes; \$1 million from an individual major donor for work in Asia and Africa; and six-figure funding from new foundation donors in Switzerland and the US for programmes in India. We also secured a new partnership with Allergan, supporting our glaucoma work in Nigeria and India. We continued to perform well in stewardship, as evidenced by a number of existing donors choosing to increase their level of giving, and our corporate account management was recognised by People's Postcode Lottery, who marked out Sightsavers as a partner delivering excellent communications to their players.

Diversify our institutional income base, focusing on building relationships outside DFID, as well as within it.

We have been working together with other leading global eye health agencies to prepare joint funding applications for large scale multi-country programmes. We have submitted proposals to a range of donors from development banks to prize funds. Developing large-scale funding proposals in partnership with other organisations takes time, but is bringing the benefits of stronger strategic partnerships across our sector.

We are building new relationships with several government agencies in Europe and North America. Many of those conversations have been a result of our increased profile in the disability inclusion space.

Our relationship within DFID has broadened further through the International Multi-Disciplinary Programme. We are a partner within six consortia who are pre-selected to bid for work under this framework, across a range of thematic areas. We have already won two sub awards under this programme, and we expect to continue submitting applications through this mechanism.

We have also been investing our efforts to become the inclusion partner in mainstream development programmes and have made good headway in our relationship building work with potential lead contractors. We have been invited into consortia across health, education and social inclusion with bids going into DFID and USAID.

Ensure a smooth handover of the chair's role between Martin Dinham and Sir Clive Jones, including finding a replacement for the development knowledge lost with Martin's departure.

Sir Clive, who received a knighthood in the 2020 New Year's honours list, took over from Martin in July. The transition has been smooth – partly as Sir Clive had been a trustee for some time. We brought in Joy Hutcheon, who has significant development experience and worked at DFID for many years, onto the board, which will help replace the knowledge Martin had. Professor Chris Whitty is also on our board and brings a wealth of experience, particularly in infectious diseases.

Continue to ensure our value-for-money approach feeds into our programme design, and further strengthen our programme financial oversight processes in the countries where we work.

We undertook a cross-organisational review of our approach to value for money within our 2019 strategy review process. We looked back 10 years to assess what drove value for money in programme design and implementation. We need to document our approaches, successes and challenges more systematically and ensure that they are available for all staff to better understand our approaches but also to ensure that learnings are more easily fed into programme design. Examples of this in 2019 included strengthening of supply chain understanding within our NTD and eye care programmes, ensuring that activities and costs around logistics and bulk purchasing were taken into account in initial and annual planning.

We have strengthened our risk-based approach to country office capacity-building support, identifying countries that would benefit from targeted support from our central programme finance team. We have created a cross-Africa finance team to ensure that country office and partner control frameworks are working effectively, and that best practice from around the continent is shared across all programmes.

Organisational Effectiveness Assessment – ReD Associates

Towards the end of 2019, the Bill & Melinda Gates Foundation offered to fund an assessment by ReD Associates, a consultancy with social anthropological expertise.

ReD reviewed a wealth of documentation and then spent a week with us interviewing a wide range of staff members, partners and donors. They looked at us from a range of perspectives: strategy, ambition, leadership, processes, talent, governance, learning and resources.

We were very pleased with the results – ReD found that we were fundamentally sound with a very positive staff culture. Our systems, processes and financial base were all seen to be strong. The areas for improvement were primarily around communication, both internally and externally, particularly in relation to our strategy, goals and positioning. We will be hiring an internal communications staff member to work with us as we develop our strategy, which when formulated, will examine better ways to disseminate it and ensure Sightsavers' aims, approaches and added value are better understood by a range of stakeholders.

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Risks and key challenges

Risks

Risk identification and management is a key process within the organisation at all levels. All major programmes have their own risk mitigation logs, and the larger ones have their own governance processes. At the organisational level we have a risk log of the top risks, and a bespoke risk register covering all aspects of the impact of COVID-19. Apart from COVID-19 the primary risks we face are similar to those in 2018.

The log is reviewed by the management team regularly. The Audit Committee reviews the risk log at every meeting, and the Council discusses risk at least once a year. Trustees are satisfied that adequate systems are in place to monitor, manage and, where appropriate, mitigate Sightsavers' exposure to the major risks.

The risks and risk management comments around mitigating strategies are as below:

Recruitment and retention of key employees and contractors

Early in 2020 our two senior fundraisers resigned to move to other charities after seven and eight years' service. We split the major giving team between Individual Giving and Institutional Funding, and promoted our head of digital fundraising to the new post of director of global fundraising and marketing after she proved the best candidate following an external search. While it was sad to lose them, we have managed their loss with minimum loss of continuity.

Attrition among our technical and specialist staff, including project managers, has been low. Our concerns that there might be poaching from other organisations awarded large contracts has not materialised.

We make sure our salaries are competitive in the UK market, but we recognise that many of our staff are internationally mobile, and we have a significant risk that salaries in the US are far higher than in the UK.

Safeguarding of beneficiaries, supporters and external contacts

Significant amounts of training of staff and partners has taken place, including the production of video materials to support smaller partners. Developing further support packages for them will be a key focus into the future.

We are developing our expertise in the specialist requirements of safeguarding for people with disabilities.



A Sightsavers vehicle crosses the bridge leading out of River Cess County to Grand Bassa County, Liberia, after conducting a river blindness screening.

Health, safety and security events and other safeguarding issues concerning employees

We have maintained our comprehensive reporting approach and have increased our resilience team. We have particularly focused on Nigeria, countries in the Sahel, Democratic Republic of Congo and Central African Republic.

We have strengthened our capability to undertake remote working, initially aimed at supporting staff in countries where offices have to be closed for periods due to conflict. This will stand us in good stead now during the COVID-19 crisis.

Safeguarding training is mandatory for all staff and trustees. We have a designated safeguarding trustee (Barry Hoffman) to whom whistleblowing can be directed if staff do not want to go via management.

Poor quality or strategic alignment of programmes

We are in the middle of a Programme Achievement Assessment, as part of our strategy refresh. This is a rigorous assessment of what programmes have achieved to help us develop our new programme strategy.

We have identified the need to undertake a meta analysis of our quality standards assessment tool (QSAT) findings to identify systematic/global areas of strength and weakness. This work is to be progressed in 2020, enabled by the use of Power BI.

Inability to manage consortia to deliver on contracts and secure new opportunities

We have significantly expanded our teams to manage the substantial consortia in NTDs and disability work.

We have dedicated technical experts to support the programmes, including those who understand factors such as behavioural change and water/sanitation. Each programme has its own governance arrangements to ensure oversight.

We have ensured that all our contractual obligations to donors flow through the consortia with partner contracts reflecting these, and we undertake regular financial capacity checks as required.

We have revamped our supply chain processes and brought in dedicated supply chain staff.

Inability to raise adequate voluntary income in mature and new markets

We have completed our work on establishing return on investment reporting for every channel and every market to enable us to optimise investment globally. We undertake monthly reforecasting and six-monthly ROI analysis.

2020 will be an extraordinary year for voluntary income due to the impact of COVID-19 – we have instituted daily reporting on direct debit cancellations and will be adopting a highly dynamic approach to our fundraising activity as we receive data. Outside India we do very little face-to-face fundraising.

Poor quality of implementation of programmes leading to failures in services to beneficiaries or delivering expected programme outputs and outcomes

We have focused on developing monitoring systems – this has included enabling country dashboards to feed into central oversight systems. This is being extended to include cost information to help with the value for money agenda. We have standardised start-up, inception and due diligence processes for partners and comprehensive supply chain reporting.

We are in the middle of a two-year Power BI project to enhance the ability of country offices to make data driven implementation decisions.

We have added a significant number of country staff particularly to our West African cohort, where major contracts are ramping up.

Media crisis in core markets

Safeguarding issues continued to be covered in the press although at a lower level than the previous year. Issues of bullying and sexual harassment in some organisations meant charities were still in the public eye. Because of this there is increasing Charity Commission intervention alongside press coverage and interest.

We continue to strengthen our own whistleblowing and reporting measures, and take comfort from the positive findings of the ReD Associates review, which showed a strong and supportive culture.

Inability to replace or grow institutional income

Our relationship with DFID continues to be strong as we work closely with them on disability and NTDs. As at time of writing this report we are exploring how these programmes might be adapted to help tackle the COVID-19 pandemic.

We are continuing to build our relationship with the Accelerate funders and a range of other foundation funders such as GiveWell. Our non-UK offices are continuing to apply to the European Commission for funds.

Inappropriate controls

We have had positive reports from the various audits undertaken and the independent review panel of Accountable Now. The African finance team has been a useful addition and we have been able to coordinate our financial capacity building of country teams.

We have strengthened our controls around invoice processing following a cyber-attack in the 4th quarter 2019, and are undertaking a review of our business systems as part of the strategy refresh.

Governance and organisational-level regulatory challenges, such as forced federation, new regulatory hurdles and strategic misalignment of boards

Sir Clive Jones took over as chair of the international board in July, and we appointed a new trustee with the development experience to replace the skills of Martin Dinham. All chairs of Sightsavers entities, plus the international board, attend a meeting annually in January to review strategic matters.

A new board has been established in Nigeria, in line with changing local legislative requirements.

Financial loss, disruption or damage to our reputation as a result of data loss, a failure of ICT, or in information security process controls

Following the cyber-attack we undertook a cyber remediation audit using our independent security vendors. A variety of mitigation strategies were developed including additional controls, more rigorous contracting and onboarding protocols. We undertook significant training and awareness-raising activities with our staff and appointed business security representatives in our regional offices.

We have developed an Information Asset Register which is now being rolled out and embedded.

Financial loss or operational constraints as a result of treasury activities, including credit loss, foreign exchange movement, liquidity or inability to transfer funds internationally

We increased the capacity in our treasury function and are looking at further additions. We have introduced enhanced cashflow reporting (now weekly). We continue to hedge currency to mitigate our exposure to currencies which move with the US dollar.

We have a major focus on liquidity, and established a £5m facility with HSBC to enable us to finance the arrears-based contracts for the major DFID programmes.



Dr Lansana Sherriff in his operating theatre in Kenema, Sierra Leone.

COVID-19

We have implemented a comprehensive, evolving enterprise-wide response to the COVID-19 pandemic, including business continuity measures. To support those efforts we have established a comprehensive risk register around the impact of COVID-19. There is a taskforce chaired by the CEO that oversees this. The register includes:

- Business continuity – both for ourselves and our key suppliers
- Income monitoring – in real time where possible
- Regular communications to staff from the CEO, with an emphasis on wellbeing and transparency
- Security and travel – all staff in country of origin from end of March
- Dynamic assessment of fundraising activities based on data
- Programme monitoring – enhanced systems created to enable more rapid assessment, which should be especially useful as we move into recovery phase. We are assessing the financial impact of suspension of programme activities, including dialogue with key donors to maintain funding for core programme capacity costs during suspension.
- Review of major contracts to establish potential to divert activities to COVID-19 supporting actions (eg behavioural change).

Particular challenges through 2019, and ongoing

The challenging environment for international development organisations continued through 2019, and in to 2020.



Safeguarding remained a major issue for the sector, both in terms of protecting beneficiaries (and external stakeholders) and staff. Our focus has been on supporting partner capacity in this area as there have been two safeguarding incidents involving our partner organisations.



There was considerable political uncertainty in the UK through 2019, particularly linked to Brexit. This culminated in a general election in December where the electorate delivered a significant majority for the Conservatives. We believe the uncertainty and the election had an impact on giving for the Christmas appeal, although there was recovery in January.



Natural disasters and diverse climate change events such as the cyclone in southern Africa at the beginning of 2019 also had an impact. At the time of writing we are concerned about the locust swarms in Eastern Africa.



Speculation continues about the future of DFID under the new government. DFID is currently an independent department with its own secretary of state; however all junior ministers now have dual roles within DFID and the Foreign and Commonwealth office, and many commentators believe the two will merge at some point. It is impossible to know whether this will happen or what the impact will be.



Security and conflict affected our ability to work in several countries, and the threat level in some has increased (such as in Cameroon and Mozambique).



At the time of writing the world is convulsed by COVID-19. It is not yet possible to foresee the impact this will have on our programmes or our staff and supporters. We are conducting scenario planning and analysis, have mitigations in place and are carefully monitoring the effects and impacts.

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Our plans for 2020

All of these objectives must be caveated by the extent to which the COVID-19 epidemic will impact upon our ability to deliver and on our income. At time of writing we do not know this – we do however anticipate that all activities will be affected to some degree.



Delivering for our beneficiaries

- Deliver on all contracts and grants – ensuring that impact is delivered for beneficiaries and donors are happy with progress
- Undertake a Programme Achievement Audit to feed into a new overarching programme strategy
- Commence review of thematic strategies, ensuring these are aligned with new WHO documents (world report on vision and Roadmap for NTDs 2030) and adhere to the Convention on the Rights of Persons with Disabilities
- Continue focus on safeguarding work, with particular attention to capacity building of partners.



Increasing our capacities (areas where we need to excel)

- Strengthen and deepen our relationships with a number of key partners – notably International Disability Alliance, CBM International, Fred Hollows Foundation and Orbis
- Support the roll out and embedding of the world report on vision through launches in relevant countries and regions
- As host of the Uniting to Combat NTD secretariat, respond to the postponement of the malaria/NTD event in Kigali around CHOGM due to COVID-19 and support the induction of the new board and approval of the new strategy
- Review SIM card objectives and indicators to reflect new programme and thematic strategies.



Learning and growth (areas where we need to invest to achieve excellence)

- Develop stronger approaches to ensuring our growing evidence base feeds into programme implementation
- Improve communication around strategy refresh, particularly internally
- Articulate 'value proposition' and messaging for a variety of stakeholders
- Deliver the first stage of a two-year project to use flexible and interactive analytical tools such as Power BI dashboards to enhance decision-making across Sightsavers and give programme teams the opportunity to improve understanding of project performance.



Resources (funding our work, ensuring efficient and strategic use of resources)

- Deliver voluntary income targets with a clear focus on return on investment
- Undertake a test of digital fundraising in the US
- Develop and deepen relationships with various institutional donors and foundations to increase and diversify income
- Continue to establish our presence in Nordic countries while ensuring we manage our relationships with regulators
- Produce a value for money report (initially internal only) aimed at increasing the understanding of staff, describing approaches, and highlighting specific value for money examples from across the organisation. Continue to work with partners to expand their understanding of IATI and to increase the amount of data they publish
- Re-engineer our accounts payable process to improve our robustness against cyber threats
- Assess our level of liquidity reserving by improving short-term cashflow forecasting and ongoing tracking of volatility in our cash position
- Develop the next-level treasury management system to support the liquidity and financing of the organisation.

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Structure, governance and accountability

Sightsavers is the working name of the Royal Commonwealth Society for the Blind. Originally founded in 1950, it is now incorporated by Royal Charter dated 28 February 1990, as amended on 8 July 2009 (company number RC000706) and is a charity registered in England and Wales (207544) and Scotland (SC038110). It is regulated by the Charity Commission.

We have a governing international council of trustees committed to maintaining a high standard of corporate governance. Council members, all of whom are non-executive, are drawn from diverse, international backgrounds and bring a broad range of relevant experience and skills to council discussions. Trustees are elected to the council by other trustees normally for two terms of four years, although this can be extended in exceptional circumstances (such as where a particular skill cannot easily be replaced).

A new chair of council was appointed in July 2019 – Sir Clive Jones. Martin Dinham retired at the end of his allowed tenure.

Recruitment of new trustees is based upon consideration of skills, always mindful of the need to reflect diversity (in terms of gender and disability in particular) and maintain a balance of individuals from different

countries. Depending on the gap to be filled, this may be achieved via existing networks or by advertisement.

All trustees have a tailored induction programme to familiarise themselves with their statutory responsibilities, their role within the council, the governance framework and Sightsavers' objectives. They also have full access to the e-learning induction programme for staff, and key programme database and performance measurement systems. It is now mandatory for all trustees to undertake an e-learning module on safeguarding. Performance of the council both collectively and as individual trustees is periodically assessed, typically every two years.



Trachoma patient Maria shells beans at her home in Nampula, Mozambique.

© Sightsavers/Zinyange Auntony

There are four committees of the council:

- **Audit**, which monitors and reviews audit activities, the risk and control framework, the effectiveness of our processes and the statutory accounts/annual report.
- **Investment**, which monitors investment performance and treasury activities.
- **Remuneration**, which monitors remuneration policy and key salary decisions.
- **Governance**, which monitors legal and registration issues in the countries where we operate and advises on the appointment of trustees and honorary officers.

Committees may include specialists who are not members of the council, but who volunteer to use their expertise to assist the committees. As well as the formal governance committees, a programme expert group meets twice a year and provides advice to the executive and insight on more detailed programme matters to the Council.

There are clear distinctions between the roles of the council and of senior management, to whom day-to-day management is delegated. Matters such as policy and strategic plans are prepared by senior management for consideration and approval by the council. The key leadership team, set up to facilitate decision-making at management level, is the management team, consisting of 15 people drawn from across the organisation. This includes the regional directors, the CEOs of India and Ireland, and senior staff across the directorates. There is also a people team, which meets when required to discuss strategic HR matters. We have set up a strategy refresh steering group and a series of working groups to tackle the strategy review process.

The organisation is structured with four main directorates, whose leaders report to the CEO. These are:

- **Policy and programme strategy**, which includes research, evidence, technical leadership, institutional funding and relations (including trusts, foundations and corporates) policy and advocacy, and communications and media.
- **Finance and performance**, which includes all programme implementation, operations, finance, assurance and reporting. All country offices report to this directorate through regional offices.
- **NTDs**, which includes all the management of large consortia grants and contracts, and technical support to NTD programmes.
- **Fundraising and marketing**, which is responsible for individual supporters across all our markets, including major donors (although in the case of India and Ireland this is an advisory role), and our website.

The CEO of India reports day-to-day to the CEO of the international organisation, although he is ultimately responsible to the Sightsavers India board. The CEO of Ireland reports to the chair of Ireland and the Irish board, with a link to the international CEO. The director of the Uniting to Combat NTDs secretariat also reports into the CEO.

This structure was changed slightly in April 2020 with a directorate of major giving being split between fundraising and marketing (including major donors) and the directorate of policy and programme strategy (trusts, foundations and corporates moving in with the institutional funding team).

As at 31 December 2019 there were seven subsidiary undertakings consolidated within the Group: Sightsavers (Trading) Limited, Sightsavers Ireland, Sightsavers International (Italia), Sightsavers International Inc (USA), Sightsavers Inc

(USA), Insamlingsstiftelsen Sightsavers International Sverige (based in Sweden), and Stiftelsen Sightsavers International Norge (based in Norway) Our presence in the UAE is consolidated under our licensed branch located in Dubai.

Sightsavers is a charity registered in Scotland with the Office of the Scottish Charity Regulator, registration number SC038110. In 2019 Sightsavers raised £5.1 million (2018: £4.4 million) from donors based in Scotland.

Remuneration

Sightsavers' policy on remuneration is to ensure that the reward package offered to staff is competitive with other organisations in the areas where we work, both in terms of geography and type of role, to ensure we are able to recruit and retain staff. As stated previously, inability to do this is seen as a key risk to the organisation.

We have a remuneration committee of trustees, including one with extensive HR experience. The policy (approved in 2016) is based around benchmarks at the median level, with flexibility as required, particularly for roles that are difficult to benchmark. The salaries of all individuals who report to the CEO, and that of the CEO herself, are individually approved by the remuneration committee, as is the overall policy.

As of December 2019 the salary of the CEO was £139,138. This was the highest salary in the organisation, although one other individual had higher remuneration because of international allowances. There is no bonus scheme or car allowance for any members of staff and the CEO has the same pension rights as other UK staff.

All UK staff are paid at least the living wage, including apprentices and interns. The ratio of the highest-paid person to the lowest in the UK is approximately 6:1 (excluding interns), and the ratio of highest to median is 3:1.

As of the end of December 2019, Sightsavers' mean and median gender pay gaps in the UK were calculated to be 4.93 per cent and 9.91 per cent respectively in favour of men. This compares well with other organisations, both within and outside the sector, although it has increased since last year. The reason for this is that we have increased the number of staff at junior levels this year and most of the recruits have been women. It does not reflect a reduction in the number of women in leadership positions.

Accountability

Sightsavers is a member of Accountable Now, an international organisation dedicated to helping international NGOs demonstrate and improve their accountability. We submitted the eighth formal report to the Charter Company Independent Review Panel (IRP) last year on the basis of performance in 2018.

The panel commented that the report showed a strong approach to dynamic accountability, mentioning beneficiary feedback mechanisms and complaints as an area for improvement.

The full report can be found online at tiny.cc/accountablenow



Governance code

The new governance code was published in 2017, after extensive consultation across the sector. Sightsavers' board welcomed the introduction of this updated version of the code. Its seven principles on organisational purpose, leadership, integrity, decision-making (risk and control), board effectiveness, diversity, and openness and accountability are central to the core values of this organisation.

Sightsavers' board remains committed to maintaining the organisation's compliance with the requirements of the governance code.

Each year our governance committee reviews the composition and recruitment needs of our board in going forward. A key objective is to sustain the breadth and depth of our trustees' skills and competence, as well the board's diversity. Currently, our trustees come from the UK, Europe, Africa, Australia and Southeast Asia. Forty-seven per cent of them are female and 20 per cent are affected by a visual or physical impairment.

From a strategic leadership and direction perspective, our trustees agreed specific streams of activity on our business strategy to be developed and updated during 2019. The board has reviewed progress on this activity at each meeting during the year, and individual trustees have actively engaged with the workstream groups to produce proposals and recommendations. This work will continue until the end of 2020.

The Audit Committee oversaw a review of our complaints handling system, which culminated in our policy being updated and published on our website. Work will continue during 2020 to implement the recommendations to further strengthen our complaints systems. Our trustees are dedicated to maintaining our organisational transparency by continuing with our membership of Accountable Now, whose evaluation reports, along with the evaluations completed by external reviewers of our programme activity, are published on our website and made publicly available.

Our board formally reviews our full corporate risk exposure annually and discusses the appropriateness of our mitigation activities. Our audit committee considers our business risk response as a substantive item at each meeting. Also, a mechanism was introduced where our trustee lead on safeguarding engages formally with our governance, risk and safeguarding leads to ensure that our risk response, policy and systems approach

continue to be fully effective. The outcome is reported back to the audit committee and the main board.

The chairman and vice-chairman undertook an exercise to discuss the performance of the board on a one-to-one basis. Outcomes from these discussions were summarised and are being taken forward by the new chairman. Midway through the year, a team of senior managers completed an exercise to confirm our on-going compliance with the tenets of the code. The discussions are underway to set up a formal board effectiveness review toward the end of 2020.

Modern slavery

Sightsavers participated in an HMG assessment in 2017, designed to assess an organisation's efforts to combat modern slavery. Building on the work done in 2018, we performed a risk assessment of our supply chain and programmatic activities, addressing the probability of the presence of modern slavery and human trafficking. While the likelihood of these risks was deemed to be low, the high impact of these risks in key areas has allowed us to tailor our approach. This includes the broadening of the code of conduct and who we expect to sign it, enhanced training for staff and suppliers involved in our supply chain and additional due diligence, paired with an appropriate audit programme.

Two years on from the initial review we have completed a second round of self-assessments, which yielded a number of new recommendations related to training, audit and risk management. These recommendations complement the planned work and will be implemented over the coming 18 months.

In accordance with the Modern Slavery Act 2015, and as part of our commitment to transparency, the board published an updated modern slavery statement in 2019 on our website. This statement sets out the steps taken by Sightsavers to prevent

modern slavery and human trafficking throughout its business during the financial year ending 31 December 2019. We had no reported incidents of modern slavery or human trafficking in 2019.

Charity Commission serious incidents

Sightsavers reported a number of serious incidents to the Charity Commission in 2019. These included issues concerning safeguarding allegations in our partner organisations, a cyber-attack on our business operating systems and an incident involving an adverse reaction that occurred during a mass drug administration (MDA) event on one of our programmes in West Africa.

We had two safeguarding issues related to Sightsavers' projects in Tanzania and Uganda, which involved sexual harassment allegations stemming from the conduct of certain members of staff within a couple of our partner organisations. In both cases, a range of NGOs funded these partners, so we formed a consortia to oversee the investigation into the allegations. In both cases this was conducted by an independent investigating company and discussions with those partners are ongoing.

The MDA incident involved a number of children in Guinea who felt unwell after taking the medicine for schistosomiasis. Parents were understandably concerned by the vomiting and dizziness which can sometimes occur, where the medication is taken for the first time on an empty stomach and where levels of infectivity are high. The side effects were not serious and did not last long. All the affected children recovered quickly. We took measures to strengthen our sensitisation processes to ensure children are given food before taking the drugs, and updated guidance to our staff and our partners.

Toward the end of 2019, Sightsavers IT infrastructure provider was the subject of a sophisticated criminal attack targeting our email system. This resulted in a single instance of funds being diverted based upon a fraudulent invoice. The compromised access was identified and closed down quickly, and no further access was gained. None of our core finance, reporting, donor databases and management or any other systems were subject to unauthorised access. An independent specialist investigator reviewed our controls and made recommendations as to how we might further strengthen our systems. In addition to the Charity Commissioner, the UK Information Commissioner was advised of this incident.

In all the above cases, relevant donors, along with the relevant authorities, were kept advised fully of the incidents and our responses.



Fourteen-year-old Doris takes some medication during an eye screening and deworming treatment in Greenville, Liberia.

© Sightsavers/John Healey

Sandhya Das, from the Sundarbans, got her independence back after receiving glasses.



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Review of financial outcome 2019

Detailed financial information is reviewed by the council in each of their meetings during the year. The financial outcome for 2019 is set out in the consolidated statement of financial activities.

Income

Total income was £340.9 million in 2019, an increase of £28.1 million compared with 2018, reflecting an increase in income from charitable activities, notably the Accelerate partners' £17 million and the DFID Ascend contract of £8.9 million.

Total income from donations and legacies was £62.8 million; a rise of £10.7 million from 2018. This comprises unrestricted income of £32.1 million and restricted income of £31.6 million (a decrease of 1.5 per cent and an increase of 54 per cent respectively).

2019 income, excluding gift-in-kind donations, was £104.6 million, an increase of £24.3 million (30 per cent) from 2018. Overall income in 2019 again exceeded our original financial plan for the year.

Overall income from individual donations increased by £2.3 million to £28.3 million, which, in aggregate across the group, was again above our plan for the year. We maintained overall investment across all

our international markets, while further optimising the investment mix. The majority of our well-established markets achieved increased individual income over 2018. The UK, our most significant market historically, achieved a 9 per cent increase of £1.5 million, representing the biggest increase across the group in monetary terms, while India achieved an increase of £500,000 – an increase of 21 per cent.

Our longer-term expectations remain positive for most of our international territories – any effects from the virus pandemic aside – with the exception of Sweden, where the decision has been made post-balance sheet date to withdraw from our fundraising activities.

Legacy income again performed well in 2019 at £10.3 million, a decrease of 9 per cent. The future legacy pipeline also appears strong.

We were delighted to receive further significant funding in the US from Good

Ventures Foundation (GiveWell) of £7.7 million, which helped push donations from trusts to £10.4 million – a significant increase of 90 per cent. Corporate donations increased to £5.8 million, although donations from community service and other organisations remained at a relatively low level.

Donation income from institutional donors increased to £7.8 million in 2019, including a stable level of Irish Aid income (£1.5 million), and continuing support from a number of long-standing existing donors. In 2019 we received donation income from DFID of £900,000 under the Aid Match scheme, and £2.4 million for the second year of a DFID-funded social inclusion programme, Inclusion Works. We also received £500,000 from Task Force for Global Health, which was a new donor in 2018.

Total gifts-in-kind income was £236.2 million, compared with £232.5 million in 2018. Income from gifts of Mectizan® tablets from Merck & Co Inc to treat river blindness were broadly consistent at £219 million. In 2019 we also continued to receive donated Zithromax® treatments in Sudan from the International Trachoma Initiative, for which we recognised £16 million of gifts-in-kind income – an increase from £10 million in 2018 – due to an increased volume of treatments.

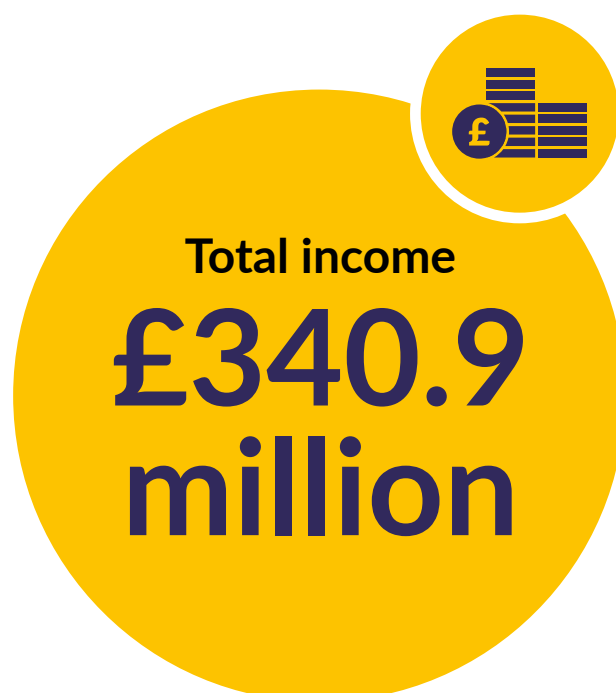
Our income from charitable activities increased by 49 per cent to £41.2 million. £17 million of this came from the Accelerate programme partners and represents an increase of £14.8 million from 2018 inception activities as this programme was rolled out in 2019.

Our aggregate funding in this category from the UK government (DFID), which covers a variety of programmes including the large neglected tropical disease projects, was £17.3 million, compared with £12.4 million in 2018.

The most significant new institutional funding in 2019 was for a large new integrated NTD programme, Ascend, for which we received £9 million from DFID.

Significant incoming resources were received again in 2019 from the Bill & Melinda Gates Foundation for support of a global partnership on NTDs, at £2.4 million, together with continuing income from the European Commission and via USAID.

Investment income was £400,000 in 2019.



Expenditure

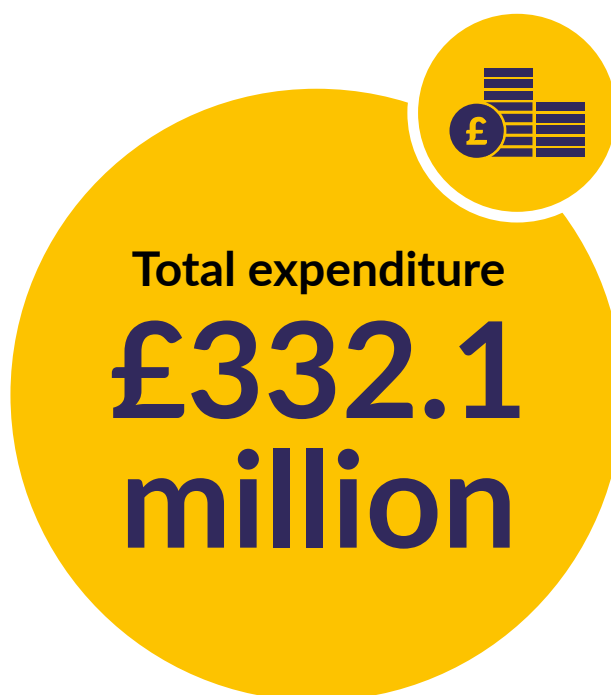
Total expenditure was £332.1 million in 2019, an increase of £25.9 million compared with 2018. These higher total expenditures principally reflect the expenditure levels related to our neglected tropical diseases programmes.

Costs of raising funds, including institutional fundraising costs, increased by £600,000 year on year to £18.1 million. Direct fundraising costs and allocated support costs increased proportionally in 2019. These expenditures continue to represent our strategy to invest effectively in voluntary fundraising income and donor recruitment, with the objective of balancing and complementing the levels of grant and contract income received in recent years. Direct expenditure and investments were broadly maintained across all major markets and channels.

Total expenditure on NTD programmes increased by £15.7 million, or 48 per cent, reflecting an increase in restricted and unrestricted funded activities. Total expenditure on eye care health charitable activities rose by £700,000, or 5 per cent, and expenditures on social inclusion themes rose by £3.7 million to £7.7 million. These expenditure levels reflect a continuing change in direct costs across these thematic categories, together with a rebalancing of allocated support costs reflecting activity levels. Increases in NTD and social inclusion expenditures are the principal factors in increased underlying restricted charitable expenditures (exclusive of donated drug expenditures).

Costs ascribed to Mectizan® and Zithromax® tablets remained broadly consistent, representing a combined £236 million of expenditures for donated drugs, an overall decrease of £4 million. Total expenditure on charitable activities was £313.3 million in 2019 compared to £288.6 million in 2018.

Overall, our charitable expenditures, excluding donated drugs, were £21 million higher in 2019. This charitable expenditure increase is in line with the overall increase in cash income.



Grant-making policy

Sightsavers works in partnership with numerous organisations. Grants payable are made in line with the strategic objectives, and we monitor all grants to partner organisations in accordance with the relevant partnership agreement. There is an annual process to review the project and partner budgets for the following year and determine what funds will be paid.

A list of principal grants is available at www.sightsavers.org/how-were-run/annual-reports

Financial position and reserves

The reserves policy is decided by the council, taking into consideration relevant Charity Commission guidance.

The reserves policy seeks to balance the objective of promptly spending income with the need to maintain a level of reserves to ensure uninterrupted operations and to provide time to adjust to a change in financial circumstances and the financial impact of risk events.

The target unrestricted reserve level was increased in 2018 by £500,000 to £7.5 million, with flexibility of +/- £1.5 million, which strikes a balance between the need to spend down income and maintaining operational integrity. This level of reserves is consistent with Sightsavers' business model, with the slight increase in target reserves the outcome of the most recent formal assessment of the financial impact of key risks. This policy remains unchanged for 2019.

The level of unrestricted general reserves remains above the top end of the target range as at 31 December 2019, at £13.4 million.

The trustees believe this level of reserves is acceptable and prudent given the recent award of new complex large grants and contracts, the continuing requirement for investment in fundraising and a desire for programmatic expansion in the future. In addition, reserves are being held to fund the aim of continuing to grow programmatic activity, build capacity in the organisation and to allow further new sources of funding to be pursued. The reserves policy is periodically reviewed to ensure that it remains appropriate as circumstances change. Trustees have been comfortable with holding a level of general reserves above the upper target, on the understanding that the additional holding would be utilised when appropriate and efficient to do so. It is likely that Sightsavers will need to utilise a portion of these general reserves through 2020 as a consequence of effects of the COVID-19 pandemic.

Sightsavers planned to run a modest deficit in 2019 of £1.5 million. The results for the year exceeded the plan, where outturn for the year saw an overall surplus of net income of £8.7 million. After transfers between funds, which captures the benefit of indirect cost recovery on restricted grants and contracts, the outturn unrestricted funds net income surplus was £1.1 million, with a surplus of £7.6 million for restricted funds. The principal factors in these results overall are levels of donation income above plan. In particular, in the USA we received and recognised donation income of £7.7 million in 2019 from the GiveWell foundation, providing funding for programme expenditures including beyond the end of 2019, thereby creating a timing difference across years and being a principal reason for the restricted funds surplus arising in 2019.

Within net income we incurred a gain of £600,000 on the investment portfolio, reflecting improved markets performance within 2019. There was an actuarial loss of £700,000 related to the defined benefit pension scheme. Overall, the net income surplus led to a financial surplus of £8.7 million in 2019, being a net addition to our unrestricted and restricted funds balances.

As at 31 December 2019 total fund balances were £31.3 million, comprising £17.6 million of total unrestricted funds, £200,000 of endowment funds and £13.5 million of restricted funds.

The component items of the restricted funds balance are shown in note 22: Statement of Funds (see page 98).

The liquidity reserve, separate to general reserves and held within designated reserves, does not contribute to meeting the reserves target, and is formal recognition that the organisation requires operating liquidity and a level of liquid net assets to facilitate ongoing financial operations.

As at 31 December 2019, following the designation of the liquidity reserve in 2018, together with the effect of 2019 financial results, unrestricted funds comprised general reserves of £13.4 million and £4.2 million of designated funds. Of the designated funds cash held overseas of £1.1 million is available for use.

Investments

Our investment activities are supported by UBS Wealth Management and the investment committee. This committee meets regularly with UBS to assess investment strategy and performance.

The value of assets held with our fund manager at 31 December 2019 was £6.8 million. We hold a mix of investment assets including cash, fixed income, equity, hedge funds and real estate. We are currently maintaining a tactical asset allocation preference for equities over bonds. Sightsavers' level of fixed-asset

investments is calibrated directly with the targeted quantum of reserves, with ongoing liquidity now more specifically addressed by a special designated liquidity reserve. The investment objectives are to maximise investment returns from a long-term discretionary portfolio, through income and capital growth, at acceptable levels of risk, while maintaining good liquidity and in line with ethical standards consistent with our objects and values.

Pensions

Sightsavers operates a defined contribution pension scheme, which was established in 2002, with membership made available to all UK contracted employees.

Sightsavers also operates a defined benefit pension scheme for UK contracted employees. This scheme was closed to new entrants in 2002 and closed to future accruals for existing employees in August 2010. As set out in note 12 to the financial statements, under FRS 102 there was a deficit in the scheme of £400,000 at the end of 2018.

During 2019 Sightsavers implemented an adjustment to the pre-existing recovery plan so as to make contribution payments subject to inflation indexation, set at 3 per cent per annum, backdated to original commencement date of January 2017. Sightsavers made a one-off contribution payment in 2019 to cover retrospective indexation, with ongoing indexation to be applied annually. See Note 12 of the financial statements.

Financial outlook

The recent strategic direction of the organisation has been defined within the current strategic framework, running through to the end of 2019.

Sightsavers performed a strategy refresh project during 2019, which assessed our progress over the past 10 years of strategy implementation. We looked at what could have been done better, calibrated where we stand as an organisation against evolving sector trends, and determined the implications going forward. The results of this work were presented to trustees in early 2020.

The review found there was no need for wholesale changes to the organisation strategic framework. Ongoing work in 2020 will continue to assist the evolution of that framework, including data analysis on 'programme achievements'; a SIM Card refresh; development of a forward programme strategy and a review of thematic strategies.

Financial planning and forecasting activity takes place within the context of the overall strategic plan and objectives.

Currently Sightsavers continues to hold unrestricted reserves above the top end of the target range, and we expect now to be likely to need to utilise a portion of those in 2020 due to the impacts the COVID-19 pandemic, subject to unfolding events and a significant amount of uncertainty.

The pre-existing base 2020 financial plan is to run a deficit of approximately £4 million, reflecting projected income of approximately £125 million and expenditure of £129 million, each excluding pharmaceutical gifts in kind. Both these planned total income and expenditure levels, exclusive of gifts in kind, are above 2019 outturn levels, reflecting the ramp up in programme work under existing large grants and contracts.

This deficit reflects timing difference between cumulative income recognition and expenditure through to the end of 2019 on certain items of restricted income, principally the Good Venture Foundation (GiveWell) and People's Postcode Lottery, which have fund balances brought forward within restricted funds at year end 2019. The base plan is to achieve a neutral unrestricted income and expenditure position. Given the likely adverse consequences of the COVID-19 pandemic it is possible, but not certain, that general reserves could reduce down towards, or possibly below, the reserves target of £7.5 million. In such a scenario we will consider using bank overdraft facilities that are available to us.

We have started a reforecasting exercise to assess the financial impact of the COVID-19 pandemic, and expect the financial plan for 2020 to change significantly. There will be significant suspensions of programmes which will impact adversely on our charitable expenditures.

Overall, fundraising investment levels in the base plan are planned again to increase in 2020, compared with 2019 expenditure outturn, as a part of the continuing strategy to strengthen the base of committed and ongoing givers across all fundraising markets.

While the fundraising climate in the UK remains challenging, on balance we still retain a positive outlook on this core market. We are also continuing our long-standing strategy of income diversification in international markets, including India, although we will not continue to invest in Sweden.

We retain the ability to suspend, defer or cancel discretionary, variable fundraising expenditures if we so wish, as a decision-making tool to help ensure a robust financial position.



Yahaya, from Kebbi province in Nigeria, smiles following lymphoedema treatment.

Within the base 2020 plan, total charitable expenditures, including programme expenditures, are planned to be in the region of £112 million, excluding the value of gift-in-kind distributions, prior to the allocation of certain shared costs for statutory reporting purposes. Although this level of spend is again a significant increase on the comparable outturn for 2019, it is now unlikely to be achieved due to the impact of the virus pandemic on programme activity. Programme effectiveness is continually assessed and the portfolio mix of projects is expected to continue to evolve.

Our medium-term planning work factors in the risks of the purchasing power of sterling, which is heightened given uncertainties related to Brexit and the economic effects of the virus crisis on the UK, and we hold a level of reserves in order to mitigate this and other associated risks.

There are ongoing funding awards, and further potential funding opportunities, that are not included fully in the 2020 base plan figures. Our ongoing reforecasts aim to

capture and use the best available forward financial information, which we expect will lead to changes in the financial forecast for 2020, and in following years.

Going concern

There is a reasonable expectation that Sightsavers has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that there are no material uncertainties that call into doubt the charity's ability to continue. The financial statements have therefore been prepared on the basis that the charity is a going concern, as described in note 2 (see page 72).

A disclosure statement affirming trustees' assessment of Sightsavers going concern position is included in Note 2, Accounting policies to the financial statements.

Public benefit

We develop our strategic plans to ensure that we provide public benefit and achieve our objectives as set out in the SIM card, as potentially adjusted in 2020.

When reviewing our aims and objectives and in planning activities and setting policies for the year ahead, the trustees confirm that they have referred to the guidelines contained in the Charity Commission's general guidance on public benefit.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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 Royal Charter 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 in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 (and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended)) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

Disclosure of information to auditors

As far as each of the trustees of the charity at the date of approval of this report is aware, there is no relevant audit information (needed by the charity's auditor to prepare the audit report) of which the charity's auditor is unaware. Each trustee has taken all steps that he/she should have taken as a trustee to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

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Key people and suppliers

Patron

Her Majesty the Queen

President

Her Royal Highness Princess Alexandra,
The Hon. Lady Ogilvy GCVO

Vice-presidents

Lady Wilson OBE

Sir David Thompson KCMG

Sir Graham Burton KCMG

Lord Nigel Crisp KCB

Dr Ramachandra Pararajasegaram
(deceased May 2020)

Martin Dinham CBE
(appointed on stepping down)

Honorary officers

Martin Dinham CBE, Chair
(stepped down July 2019)

Sir Clive Jones, Chair
(appointed July 2019)

Christopher Kinder, Vice-chair

Bill Kendall, Treasurer

Members of the Council (the trustees)

Ms Abia Akram

Dr Uche Amazigo

Dr Robert Chappell OBE
(stepped down January 2019)

Howard Dalzell
(stepped down July 2019)

Maryanne Diamond

Martin Dinham CBE
(stepped down July 2019)

Heather de Haes
(stepped down July 2019))

Barry Hoffman

Ms Joy Hutcheon
(appointed June 2019)

Sir Clive Jones

Bill Kendall

Christopher Kinder

Ms Elaine Lee

Jim Miley
(appointed October 2019)

Ms Mavis Owusu-Gyamfi

Dr Manoj Parulekar

Prof Tuwani Rasengane

David Louis Taylor

Prof Chris Whitty

The committees

Audit Committee

Christopher Kinder, Chair

Bill Kendall

David Louis Taylor

Richard Ufland (non trustee member)

Governance Committee

Sir Clive Jones, Chair

Martin Dinham

(stepped down July 2019)

Barry Hoffman

Bill Kendall

Christopher Kinder

David Louis Taylor

Investment Committee

Bill Kendall, Chair

Heather de Haes

(stepped down July 2019)

Sir Clive Jones

Christopher Kinder

Remuneration Committee

Sir Clive Jones, Chair

Martin Dinham

(stepped down July 2019)

Barry Hoffman

Bill Kendall

Christopher Kinder

Strategy Steering Group

Dr Caroline Harper, CBE (Chair)

Chief Executive

Simon Bush

Director of Neglected Tropical Diseases

Alicia Cummins

Head of Operations and Planning, Policy and Programme Strategy

Dominic Haslam

Director of Policy and Programme Strategy

Ella Pierce

Director of Fundraising and Marketing (appointed March 2020)

Rebecca Jupp

Director of Individual Giving and Marketing (resigned March 2020)

Paula Mendez Keil

Project Manager Strategy Review

Kenneth Moon

Director of Finance and Performance

Gareth Roberts

Planning, Monitoring and Reporting Director

Management team

Kenneth Moon, Chair

Director of Finance and Performance

Anna Becker

Director of Institutional Funding

Alistair Burnett

Director of News

Alicia Cummins

Head of Operations and Planning, Policy and Programme Strategy

Fatoumata Diouf

Regional Director, West Africa

Dr Caroline Harper CBE

Chief Executive

Dominic Haslam

Director of Policy and Programme Strategy

Rebecca Jupp

Director of Individual Giving and Marketing (resigned March 2020)

Charles Lamson

Chief Executive, Ireland (resigned March 2020)

Thomas Millar

Neglected Tropical Diseases Operations Director

Ella Pierce

Director of Fundraising and Marketing (appointed March 2020)

RN Mohanty

Chief Executive. India

John Muriuki

Regional Director, East Central and Southern Africa

Mark Ramsden

Director of Governance, Legal and Assurance

Gareth Roberts

Planning, Monitoring and Reporting Director

Michael Straney

Director of Major Giving (resigned April 2020)

Registered address

35 Perrymount Road
Haywards Heath
West Sussex RH16 3BW

Correspondence address

Bumpers Way, Bumpers Farm
Chippenham SN14 6NG

Principal bankers

HSBC Bank plc
Sussex and Surrey Corporate Centre
First Point, Buckingham Gate
London Gatwick Airport
West Sussex RH6 0NT

Standard Chartered Bank
1 Basinghall Avenue
London EC2V 5DD

Allied Irish Bank
7/12 Dame Street
Dublin 2

Solicitors

Bates, Wells & Braithwaite
Cheapside House
138 Cheapside
London EC2V 6BB

Investment managers

UBS AG
5 Broadgate
London EC2M 2AN

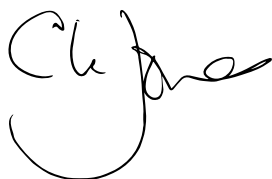
Independent auditors

Crowe U.K. LLP
St Bride's House
10 Salisbury Square
London EC4Y 8EH

Independent auditors

A resolution that Crowe U.K. LLP be appointed as the independent auditor to Sightsavers will be proposed at the forthcoming annual general meeting.

Approved by the trustees and signed on their behalf on:



Sir Clive Jones
Chair

Date: 24 July 2020

Independent Auditor's Report to the Trustees of the Royal Commonwealth Society for the Blind

Opinion

We have audited the financial statements of the Royal Commonwealth Society for the Blind for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement 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 group's and of the parent charity's affairs as at 31 December 2019 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 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 group 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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 group's and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic

decisions of users taken on the basis of these financial statements.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signature:



Naziar Hashemi
Senior Statutory Auditor

Date: 30 July 2020

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

Consolidated statement of financial activities

Year ended 31 December 2019

	Note	Unrestricted funds 2019 £'000	Restricted funds 2019 £'000	Total 2019 £'000	Unrestricted funds 2018 £'000	Restricted funds 2018 £'000	Total 2018 £'000
Income and endowments from:							
Donations and legacies	3	31,128	31,727	62,855	31,596	20,569	52,165
Gifts in kind	4	465	235,760	236,225	358	232,106	232,464
Charitable activities	5	-	41,279	41,279	-	27,684	27,684
Investments	6	453	-	453	225	-	225
Other	7	65	-	65	227	-	227
Total income and endowments		32,111	308,766	340,877	32,406	280,359	312,765
Expenditure on:							
Raising funds	9	18,061	-	18,061	17,483	-	17,483
Charitable activities							
Health – eye care	8,9	2,521	12,109	14,630	2,991	10,888	13,879
Neglected tropical diseases	8,9	5,985	42,143	48,128	3,488	28,967	32,455
Gift in kind drug donation	8,9	-	235,760	235,760	-	232,106	232,106
Education	8,9	951	2,952	3,903	1,778	1,744	3,522
Social inclusion	8,9	1,732	5,960	7,692	1,141	2,851	3,992
Policy and research	8,9	3,176	-	3,176	2,659	-	2,659
Total charitable activities	8,9	14,365	298,924	313,289	12,057	276,556	288,613
Other	9	755	-	755	154	-	154
Total expenditure		33,181	298,924	332,105	29,694	276,556	306,250
Operating (deficit) / surplus		(1,070)	9,842	8,772	2,712	3,803	6,515
Gains / (losses) on investments	16	632	-	632	(355)	-	(355)
Net income / (expenditure)		(438)	9,842	9,404	2,357	3,803	6,160
Transfer between funds	22	2,228	(2,228)	-	2,973	(2,973)	-
Net income / (expenditure) before other recognised gains / (losses)		1,790	7,614	9,404	5,330	830	6,160
Actuarial gains / (losses) on defined benefit pension scheme	12	(678)	-	(678)	15	-	15
Net movement in funds		1,112	7,614	8,726	5,345	830	6,175
Reconciliation of funds:							
Total funds brought forward		16,531	6,066	22,597	11,186	5,236	16,422
Total funds carried forward	22	17,643	13,680	31,323	16,531	6,066	22,597

Restricted funds include endowment funds, which had a balance as at 31 December 2019 of £214,000 (2018: £214,000). See note 22 for further information. All incoming and outgoing resources arise from continuing activities. All gains and losses recognised in the year are included above.

Consolidated and charity balance sheet

31 December 2019

	Note	Group 2019 £'000	2018 £'000	Charity 2019 £'000	2018 £'000
Fixed assets					
Tangible assets	15	47	9	47	9
Investments	16	6,752	6,139	6,752	6,139
Total fixed assets		6,799	6,148	6,799	6,148
Current assets					
Debtors	17	4,992	4,371	11,217	6,627
Cash at bank and in hand	18	34,791	22,495	24,483	17,794
Total current assets		39,783	26,866	35,700	24,421
Liabilities					
Creditors: amounts falling due within one year	19	14,177	9,606	10,876	8,295
Net current assets		25,606	17,260	24,824	16,126
Total assets less current liabilities		32,405	23,408	31,623	22,274
Creditors: amounts falling due after more than one year	19	-	-	-	-
Provision for other liabilities	20	712	691	705	684
Net assets excluding pension (liability)		31,693	22,717	30,918	21,590
Defined benefit pension scheme (liability)	12	(370)	(120)	(370)	(120)
Total net assets		31,323	22,597	30,548	21,470
The funds of the Charity:					
Unrestricted funds					
Free reserve	22,23	13,819	12,128	13,129	11,001
Pension reserve	12,22,23	(370)	(120)	(370)	(120)
General	22,23	13,449	12,008	12,759	10,881
Designated	22,23	4,194	4,523	4,194	4,523
Total unrestricted funds		17,643	16,531	16,953	15,404
Restricted funds	22,23	13,466	5,852	13,381	5,852
Endowment funds	22,23	214	214	214	214
Total funds		31,323	22,597	30,548	21,470

The net movement in funds for the financial year dealt with in the financial statements of the parent charity was £9,328,000 (2018: £6,288,000). The trustees have prepared group accounts in accordance with section 138 of the Charities Act 2011. The notes on pages 72 to 104 form part of these financial statements.

These financial statements were approved by the Council on 24 July 2020 and signed on their behalf by:

Chair



Hon. Treasurer



Consolidated statement of cash flows

Year ended 31 December 2019

	Note	2019 £'000	2018 £'000
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		8,726	6,175
Adjustments for:			
Depreciation charges	15	740	289
Gains on investments	16	(522)	355
Investment income	6	(453)	(225)
Exchange rate (gain) / loss	9	(697)	(154)
(Profit) on sale of fixed assets	7	65	(227)
Increase / (decrease) in provisions	20	21	106
(Increase) / decrease in debtors	17	(621)	248
Increase / (decrease) in creditors	19	4,331	(1,605)
Increase in defined benefit pension liabilities	12	250	(271)
Net cash provided by (used in) operating activities		11,840	4,691
Cash flows from investing activities:			
Payments to acquire tangible fixed assets	15	(778)	(174)
Payments to acquire investments	16	(2,018)	(1,656)
Receipts from sale of fixed assets	7	(65)	227
Receipts from sale of investments	16	1,987	1,573
Decrease in cash held for investment	16	(60)	72
Investment income	6	453	225
Net cash provided by investing activities		(481)	267
Cash flows from financing activities:			
Repayment of borrowing		-	-
Net cash provided by (used in) financing activities		-	-
Change in Cash and Cash equivalents		11,359	4,958
Cash and cash equivalents at the beginning of the year		22,495	17,383
Exchange gains / (losses) on cash equivalents		697	154
Cash and cash equivalents at the end of the year		34,551	22,495
Cash and cash equivalents consist of:			
Cash in hand		34,791	22,495
Notice deposits (less than 3 months)		-	-
Overdraft facility repayable on demand		(240)	-
Total cash and cash equivalents		34,551	22,495

Analysis of changes in net cash / (debt)

	At start of year £'000	Cash-flows £'000	Foreign exchange movements £'000	At end of year £'000
Cash	22,495	11,599	697	34,791
Cash equivalents	-	-	-	-
Overdraft facility repayable on demand	-	(240)	-	(240)
Loans falling due within one year	-	-	-	-
Loans falling due after more than one year	-	-	-	-
Finance lease obligations	-	-	-	-
Total	22,495	11,359	697	34,551



©Sightsavers/Tommy Trenchard

(Left to right) Ing'oya Lorot, Ipo Nabur, Aboni Ekale and Akai Ekiru, who all suffered from trachoma trichiasis, in their village in Turkana, Kenya, the day before eye surgery.

Notes to the financial statements

Year ended 31 December 2019

1 Charity information

The Royal Commonwealth Society for the Blind, trading as Sightsavers, is a registered charity (No. 207544 and SCO38110) which is incorporated and domiciled in the UK. The address of the registered office is 35 Perrymount Road, Haywards Heath, West Sussex, RH16 3BW, UK.

2 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified by the inclusion of investments at market value, and in accordance with applicable United Kingdom accounting standards. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. The accounting policies have been applied consistently throughout the current and previous year.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019 rather than the Accounting and Reporting by Charities Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The trustees report includes a review of financial performance and the Charity's reserves position (pages 57-58). Sightsavers has adequate financial resources and is well placed to manage the business risks. The planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. There is a reasonable expectation that Sightsavers has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that there are no material uncertainties that call into doubt the Charity's ability to continue. The financial statements have therefore been prepared on the basis that the Charity is a going concern.

Sightsavers meets the definition of a public benefit entity under FRS 102.

Basis of consolidation

The financial statements consolidate the results of the Charity and its subsidiary undertakings on a line by line basis. A separate Statement of Financial Activities (SOFA) has not been presented for the Charity alone which is consistent with previous years. The net result for the Charity (which includes all its branches) is a surplus of £9,328,000 with comprises income of £82,631,000, expenditure of £73,935,000

and a gain on investment of £632,000 (2018 loss of £355,000). Sightsavers has the following subsidiary undertakings for which group accounts have been prepared. These all undertake fundraising activity in their local jurisdictions.

Sightsavers (Trading) Limited is a UK registered company (No: 2464229). Control is established by virtue of the Charity owning 100 per cent of the issued share capital of the organisation.

Sightsavers International Inc. is registered in the USA, incorporated under the laws of the State of Delaware (federal ID: 31-1740776). The Charity has the right to appoint all directors of the organisation.

Sightsavers Inc. is registered in the USA, incorporated under the laws of the State of Missouri (federal ID: 47-4657747). There is a collaboration agreement between the organisations.

Sightsavers (Ireland) is registered in Ireland (company number: 377692, charity number: CHY15437). The Charity appoints two directors to the Board of the organisation and there is a management contract in place between the organisations.

Sightsavers International Italia (Onlus No: 97653640017) is registered in Italy as an Onlus non-profit, non-stock corporation. The majority of the Board of the entity are trustees or senior management of the Charity. The Charity and subsidiary are managed on a unified basis.

Insamlingsstiftelsen Sightsavers International (Sverige) is registered in Sweden (company number: 802477-8188, charity number: 90 03 63-3). The Charity, as founder, has the right to appoint the Board in the governing document.

Stiftelsen Sightsavers International Norge is registered in Norway (No: 912 388 573). The Charity, as founder, has the right to appoint the Board in the governing document.

Fund accounting

General funds are unrestricted funds available for use at the discretion of the trustees to further the general objectives of Sightsavers that have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The use of each designated fund is set out in note 22.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. Details of restricted funds are set out in note 22.

Endowment funds comprise monies that must be held indefinitely as capital. Related income is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes in which case it is credited to restricted funds.

Income

Income is recognised when Sightsavers is entitled to the income, any performance conditions attached to the income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Charitable activities performance-related conditions: Some funding agreements specify the services to be performed by Sightsavers for receiving the funds. Where this is the case, Sightsavers becomes entitled to the funds as it earns the right to consideration by its performance. When cash is received in advance of entitlement, income is deferred and included in creditors. Where entitlement occurs before cash being received, the income is accrued.

The following specific policies apply to categories of income:

Legacies: these are recognised at the earlier of estate accounts being finalised and Sightsavers being notified that a payment will be made;

Gifts in kind in the form of Mectizan® and Zithromax tablets: these are included in the SOFA at the donor's wholesale price or equivalent at the date the tablets are recorded as being received overseas for use. These amounts will vary each year based on the donor's distribution plans; and

Other gifts in kind are included at the value to the Charity and are recognised as income when utilised.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is inclusive of irrecoverable VAT where applicable. Expenditure is classified into the following categories:

- **costs of raising funds** are those incurred in seeking voluntary and grant income, trading activities and investment management. They do not include the costs of disseminating information in support of charitable activities; and
- **expenditure on charitable activities** is reported as an analysis between the different thematic aims of the organisation, being health, neglected tropical diseases, education and social inclusion. The amount spent on policy and research activities is also reported.

Amounts payable to partners for overseas projects are charged when an obligation exists and are described as grants payable in note 9. These payments are made under standard partner agreements, which include an agreed project budget, in response to payment requests made by the partner.

These requests are reviewed and approved on an individual basis and the obligation to pay exists and is generally recognised as a partner payable, as opposed to an accrual, once the payment request has been approved.

Employee benefits include all costs incurred by the Charity in exchange for the services of its employees. Expenditure is recognised for all employee benefits resulting from their service to Sightsavers during the reporting period. A liability is recognised for the cost of all benefits to which employees are entitled at the reporting date that have yet to be paid.

Redundancy costs (termination benefits) are recognised as an immediate cost and charged to the SOFA on a demonstrable commitment to termination, with provision for future redundancy costs measured at a best estimate of the expenditure that would be required to settle the obligation at the reporting date.

Expenditure includes gifts in kind which are valued and recognised on the same basis as gifts in kind shown as income.

Allocation of support costs

Support costs include the central and regional office functions such as general management, payroll administration, budgeting, forecasting and accounting, information technology, human resources and facilities management. These are allocated across the categories of expenditure outlined above. The basis of the cost allocation is explained in note 9.

Operating leases

Rentals payable under operating leases are charged to the SOFA on a straight line basis over the most likely term of the lease.

Finance leases

Leases are accounted for as finance leases when substantially all the risk and rewards relating to the leased property transfer to Sightsavers. The asset is recognised as a tangible fixed asset. Rentals payable are apportioned between:

- a charge for the acquisition of the interest in the property (recognised as a liability in the balance sheet at the start of the lease, matched with a tangible fixed asset). The liability is written down as the rent becomes payable; and
- a finance charge (charged to the SOFA as the rent becomes payable).

Fixed assets recognised under finance leases are accounted for using the policies applied generally to tangible fixed assets.

Tangible fixed assets

Individual tangible fixed assets costing £1,500 or more are capitalised at cost. Depreciation is provided on all tangible fixed assets, excluding freehold land, at rates calculated to write off the cost or valuation of each asset on a straight-line basis over their expected useful economic lives as set out below:

Tangible fixed asset	Depreciation
Freehold buildings	2% to 4%
Computer equipment	33%
Motor vehicles held overseas	100%
Fittings and office equipment	25%
Leasehold improvements	To the date of the next lease break point

Investments

Investments are initially measured at cost and subsequently at market value at the balance sheet date. The SOFA includes the net gains and losses arising from disposals and revaluations throughout the year.

Debtors

Debtors are measured in the accounts at their recoverable amount.

Creditors

Creditors are measured in the accounts at their settlement amount.

Forward exchange contracts

Sightsavers has entered into forward exchange contracts during the year to hedge forward currency exposure on near term future programme expenditure. Forward currency exchanges made under these contracts are recorded at the specified rate at the time of the transaction.

At the end of each reporting period, each contract is revalued based on the rate of exchange ruling at the balance sheet date. An asset or liability is recorded and the gain or loss is reported in the SOFA.

Financial instruments

Sightsavers also has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Investments held as part of an investment portfolio are held at fair value at the balance sheet date, with gains and losses being recognised in the SOFA. Investments in subsidiary undertakings are held at cost less impairment.

Provisions

Provisions are recognised when the Charity has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Pension

Sightsavers operates a defined benefit pension scheme for its eligible UK contracted employees. This scheme was closed to new members in September 2002 and to future accruals in August 2010. The pension costs and the pension provision for the defined benefit scheme are calculated on the basis of actuarial advice and are charged to the SOFA in accordance with the requirements of FRS 102.

Sightsavers also operates a defined contribution scheme for eligible UK contracted employees. Pension costs for the defined contribution scheme are charged to the accounts as they are accrued.

A pensions reserve has been created within unrestricted funds in compliance with paragraph 10.93 of the Charities SORP (FRS 102). Details of the pension schemes are disclosed in note 12.

For staff based overseas, Sightsavers contributes to locally managed provident fund schemes and a centrally managed end-of-service benefit scheme based on the number of years' service completed, in line with local employment laws. Any benefit accrued but not paid at the year-end is recorded as a liability.

All pension costs are allocated between activities and between restricted and unrestricted funds on the basis of the time spent.

Foreign exchange

Assets and liabilities denominated in foreign currencies have been translated at the rate of exchange ruling at the balance sheet date. Exchange differences are recognised within net income/(expenditure).

Income and expenditure transactions incurred in a foreign currency have been translated during the course of the year at the rate of exchange ruling at the date of the transaction and are disclosed in the SOFA.

Functional / presentation currency

The functional currency of the Charity and its subsidiaries is considered to be pound sterling because that is the currency of the primary economic environment in which Sightsavers operates. The consolidated financial statements are also presented in pound sterling and rounded to the nearest thousand.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies trustees are required to make judgements, estimates, assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The key sources of estimation uncertainty that have an effect on the amounts recognised in the financial statements are

described in the accounting policies and are summarised below:

Pension liabilities – the Charity recognises its liability to its defined benefit pension scheme which involves a number of estimates as disclosed in note 12; and

Provisions for liabilities – the Charity has provided for its possible liabilities in relation to its leasehold property and employees which have been estimated as disclosed in note 20.

Going concern

The Trustees of Sightsavers receive forecasts and financial projections which detail variations in the level and timing of future income and funding. During the first quarter of 2020 the COVID-19 (coronavirus) pandemic took hold across the world.

Aside from the public health questions, the impact on economies across the world is unknown, although all commentators agree there will be a severe recession. It is unclear how deep this will be or how long it will last.

The Trustees have considered the short- and longer-term financial projections and other risks that may affect Sightsavers. They have considered the key risks that could negatively impact the going concern of Sightsavers and have considered budgets and forecasts, cashflow projections and contingency and recovery plans.

To mitigate these risks Sightsavers has undertaken a range of activities to maximise its resilience during the pandemic:

- a. A comprehensive risk log tailored to COVID-19 has been created, including mitigation strategies that are regularly reviewed.
- b. A business continuity team has been created to ensure we can function properly while offices are closed and during recovery phases.

- c. A monitoring system has been created for our programmes so we are able to monitor activities more frequently, and the financial impacts arising.
- d. A comprehensive engagement plan with donors has been executed with all institutional and major donors.
- e. Our voluntary fundraising has continued with an emphasis on TV advertising and digital activity, in major European markets.
- f. We have kept a close eye on costs, deferring some staff recruitment, furloughing a handful of staff and keeping costs lower with programmes suspended and international travel impossible.
- g. We have maintained a laser focus on liquidity, monitoring our cashflow and cash position at least weekly. We are confident that the combination of the reserves we carry, the funding donors are continuing to provide, and our existing borrowing facilities will enable us to manage cashflow volatility through this period.
- h. We have undertaken scenario planning looking at a variety of financial scenarios including some with increasingly pessimistic assumptions. We are confident that Sightsavers is financially robust even under these negative scenarios.
- i. We are performing monthly organisation-wide financial reforecasting, which we are using to inform understanding of decision making in response to the financial impacts of the pandemic.

After considering these factors, the trustees have concluded that Sightsavers has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on the going concern basis.

3 Donations and legacies

	2019 £'000	2018 £'000
Individuals		
UK	18,609	17,056
Ireland	3,136	3,171
Italy	2,940	2,596
India	2,424	1,905
Other	1,143	1,223
Total from individuals	28,252	25,951
Legacies		
Government, NGO and institutional donors	7,837	5,319
Companies	5,828	3,800
Trusts	10,358	5,434
Community service and other organisations	248	329
Total	62,855	52,165
Donations, excluding legacies, above £100,000 included within the above:		
Government, NGO and institutional donors:		
Irish Aid	1,543	1,535
DFID Inclusion Works	2,482	871
Conrad N. Hilton Foundation	858	689
DFID AID Match	911	485
The END Fund	571	390
Fred Hollows Foundation	192	362
Liverpool School of Tropical Medicine	306	258
National Lottery Fund	195	244
Task Force for Global Health	548	-
Companies:		
Standard Chartered Seeing is Believing	860	877
People's Postcode Lottery	2,889	1,074
Dubai Duty Free	120	116
Dubai Cares	203	428
L'Occitane Foundation	120	124
Unilever	114	-
Rama Prasar Group (RPG)	121	255
Chola Business Services	301	156
HCL Technologies	144	81
Trusts:		
Good Ventures Foundation (GiveWell)	7,748	1,947
Jersey Overseas Aid	273	415
Arcadia	768	-
Zochonis Trust	112	70
Latter Day Saints	170	-
The Pathway Foundation	261	-

As at 31 December 2019, in addition to legacy income that has been included in the accounts, Sightsavers is expected to benefit from a number of legacies from estates for which the administration has yet to be finalised or Sightsavers notified that a payment will be made. Sightsavers' future income from these legacies is estimated at £11,941,000 (2018: estimated at £11,567,000). In addition, Sightsavers is the future beneficiary of legacy assets transferred to and held in trust, with an estimated value of £2,292,000 (2018: £2,014,000). As a result of COVID-19 there is a risk that the administration and processing of legacy cases in 2020 will be adversely affected and that legacy values may be reduced as a result of a fall in asset values.

4 Gifts in kind

In 2019, Sightsavers International Inc. secured gift-in-kind donations valued at £219,451,000 (2018: £222,458,000) from Merck Inc. in the form of Mectizan[®] tablets, which have been shipped to Benin, Cameroon, Côte D'Ivoire, Ghana, Liberia, Malawi, Nigeria, The Democratic Republic of Congo and Togo.

Sightsavers is responsible for the coordination of Mectizan[®] tablet distribution to those people at risk of developing river blindness. The gift-in-kind donations received reflects the approximate value of tablets distributed through the Sightsavers coordination work. Sightsavers works in collaboration with a small number of other agencies to ensure the responsibilities for coordination are most effectively undertaken.

In 2019 Sightsavers received from the International Trachoma Initiative (ITI), an organisation founded by Pfizer, a shipment of the drug Zithromax[®]. This donation has been valued at £16,309,000 (2018: £9,648,000).

Sightsavers' Sudan county office is the named consignee on the shipments from ITI and takes receipt and title to shipments of Zithromax[®], with swift onward distribution and transfer to government and ministry supply chains in Khartoum for use in programme activity. Sightsavers' entitlement to the receipt is by an equivalent form of management control to that exercised for Mectizan[®].

During the year, Sightsavers utilised 40,171,250 air miles (2018: 33,036,635) for the purpose of 447 related flights (2018:

383), which were donated by Emirates. These have been valued at £282,000 (2018: £261,000) based on the lowest economy fare available at the time of travel.

Google grants is a unique gift-in-kind donation programme that awards free AdWords advertising to selected charitable organisations. It supports organisations that share Google's philosophy of community service to help the world in areas such as science and technology, education, global public health, the environment, youth advocacy and the arts. During the year Sightsavers secured donations valued at £183,000 (2018: £97,000).

In 2019, Sightsavers benefited from the contribution of unpaid volunteers. The activities carried out by these volunteers, predominantly interactions with schools and community groups, have not been included in the accounts in accordance with the SORP, due to the absence of any reliable measurement basis.

Gifts in kind	2019 £'000	2018 £'000
Mectizan [®]	219,451	222,458
Zithromax [®]	16,309	9,648
Drug donation sub-total	235,760	232,106
Emirates airmiles	282	261
Google AdWords	183	97
Total gifts in kind	236,225	232,464

5 Income from charitable activities

	2019 £'000	2018 £'000
Accelerate Partners	17,041	2,255
DFID Aid Match	1,055	974
DFID UK Aid Match Oncho / LF	-	992
DFID Health Services Oncho / LF	-	320
DFID Nigeria NTD	1,150	1,643
DFID SAFE	4,156	8,111
DFID DID	1,968	357
DFID Ascend	8,958	-
European Commission	398	574
The Gates Foundation	2,405	2,235
The Queen Elizabeth Diamond Jubilee Trust	3,902	9,427
The World Bank	-	285
USAID (through HKI, JSI and RTI)	246	511
	41,279	27,684

Further information on each of these income sources is provided in note 22.

6 Investment income

	2019 £'000	2018 £'000
Dividends from investments	168	163
Bank deposit interest	285	62
Total	453	225

7 Other income

	2019 £'000	2018 £'000
Profit on disposal of fixed assets	65	227
Total	65	227

8 Charitable activities

	Health eye care £'000	Neglected tropical diseases £'000	Gift- in-kind drugs £'000	Education £'000	Social inclusion £'000	Policy and research £'000	2019 £'000	2018 £'000
Benin	-	510	-	-	-	-	510	86
Burkina Faso	-	409	-	-	-	-	409	147
Cameroon	45	1,628	-	232	137	-	2,042	1,630
Côte d'Ivoire	-	874	-	-	-	-	874	415
Ghana	-	587	-	-	-	-	587	384
Guinea	35	578	-	-	-	-	613	660
Guinea Bissau	-	403	-	-	-	-	403	691
Kenya	40	1,096	-	144	204	-	1,484	1,780
Liberia	566	186	-	365	-	-	1,117	744
Malawi	303	229	-	237	-	-	769	900
Mali	274	482	-	185	-	-	941	938
Mozambique	579	404	-	-	-	-	983	614
Nigeria	551	4,923	-	-	160	-	5,634	4,707
Senegal	349	661	-	158	193	-	1,361	840
Sierra Leone	569	302	-	407	-	-	1,278	812
Sudan	-	168	-	-	-	-	168	171
South Sudan	-	193	-	-	-	-	193	270
Tanzania	886	571	-	-	11	-	1,468	1,288
The Gambia	-	56	-	-	-	-	56	42
Togo	31	112	-	-	-	-	143	102
Uganda	190	799	-	120	511	-	1,620	1,818
Zambia	412	353	-	-	-	-	765	1,392
Zimbabwe	11	995	-	-	-	-	1,006	84
East Central Southern Africa (ECSA) Regional Office	132	174	-	14	22	-	342	369
West Africa Regional Office	30	205	-	10	12	-	257	83
Sub Total Africa	5,003	16,898	-	1,872	1,250	-	25,023	20,967
India	3,248	-	-	360	689	-	4,297	4,198
India Regional Office	482	-	-	47	114	27	670	698
Sub Total India	3,730	-	-	407	803	27	4,967	4,896
Bangladesh	1,293	-	-	-	112	-	1,405	1,046
Pakistan	925	195	-	188	-	-	1,308	847
Sub Total South Asia	2,218	195	-	188	112	-	2,713	1,893
Global Programmes	-	22,528	-	-	3,588	-	26,116	12,187
Gifts in Kind	252	-	235,760	-	-	-	236,012	232,337
Central Support Functions	1,363	2,043	-	482	753	893	5,534	3,492
Programme Technical Support	1,753	4,951	-	874	812	847	9,237	8,178
Advocacy and Policy Support	311	1,513	-	80	374	1,409	3,687	4,663
Direct Charitable Expenditure	14,630	48,128	235,760	3,903	7,692	3,176	313,289	288,613

Our income from our charitable activities arises from activities across our programme portfolio, which is described in the section “Our portfolio” on page 12 of the Annual Report. The principal programme categories and types of activities undertaken are as follows:

- 1. Eye health:** our programmes cover various service interventions, with cataracts being a particular focus, and we focus on various aspects of eye health system strengthening programmes.
- 2. Neglected tropical diseases (NTDs):** during 2019 we concluded the following multi-year large grants: the Department for International Development (DFID) SAFE (trachoma in Ethiopia, Zambia, Tanzania, Chad and additionally South Sudan); the Queen Elizabeth Diamond Jubilee Trachoma Initiative (in Kenya, Mozambique, Uganda, Malawi and one state of Nigeria) (ended in 2019); the UNITED programme (integrated NTDs in Nigeria, funded by DFID); as these programmes concluded through 2019 we developed main operations on large new NTD programmes: the Accelerate programme (eliminating trachoma in 10 African countries and make significant progress towards elimination in another 3); the Ascend programme (significant contribution to the control and elimination of the five PC NTDs, health systems strengthening, and cross-sector collaboration (particularly WASH and education) across 13 countries in Western and Central Africa; and our GiveWell programmes.
- 3. Education:** examples of our education programmes include developing teaching and college systems and access to them and developing community-based education centres.
- 4. Social inclusion:** our programmes look to improve economic empowerment and political participation, with a particular focus on gender and advocacy. We continued our large “Inclusive Futures” separate contract and grant: DFID Disability Inclusive Development (DID) (in Bangladesh, Jordan, Kenya, Nepal, Nigeria and Tanzania) and DFID Inclusion works (in Bangladesh, Kenya, Nigeria and Uganda).
- 5. Policy and Research:** these activities provide a consistent underpinning in support of our programme activities.



A boy washes his face at a well in Turkana, Kenya. Good hygiene is vital to stop the spread of neglected tropical diseases such as trachoma.

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9 Total expenditure

	Grants payable £'000	Direct costs £'000	Gifts in kind £'000	Allocation of support costs £'000	Total 2019 £'000	Total 2018 £'000
Raising funds	-	15,720	213	2,128	18,061	17,483
Charitable activities						
Health - eye care	4,595	7,706	252	2,077	14,630	13,879
Neglected tropical disease	27,028	18,722	-	2,378	48,128	32,455
Gift in kind drugs	-	-	235,760	-	235,760	232,106
Education	520	2,725	-	658	3,903	3,522
Social inclusion	3,494	3,222	-	976	7,692	3,992
Policy and research	-	2,506	-	670	3,176	2,659
Other - revaluations	-	697	-	-	697	200
Other - forward exchange contracts	-	58	-	-	58	(46)
Total resources expended 2019	35,637	51,356	236,225	8,887	332,105	n/a
Total resources expended 2018	25,175	41,210	232,464	7,401	n/a	306,250

During the year Sightsavers made grants to partner organisations carrying out work in support of the mission. These are considered to be part of the costs of activities in furtherance of the aims of Sightsavers: much of the Charity's programme activity is carried out through grants to local organisations that support long-term, sustainable benefits for people affected by blindness, visual impairment and disability. This includes capacity building and partnership development. The work of these local organisations is closely monitored by Sightsavers.

Direct costs include all the costs which are directly attributable to generating funds £11,129,000 (2018: £9,396,000), the direct operation of the overseas programmes, including the procurement of equipment for use in the programmes £2,550,000 (2018: £1,629,000), informing and creating awareness amongst the public and governance of Sightsavers.

Staff costs included in direct costs is £19,473,000 (2018: £15,975,000).

A list of principal grants is available on our website www.sightsavers.org

The support costs and the basis of their allocation were as follows:

	2019 £'000	2018 £'000
Directorate	131	63
Governance	1,880	2,099
Financial management	663	492
Information communication technology	2,392	1,953
Human resources	766	516
Planning, performance and reporting	285	125
Programme support	2,770	2,153
Total	8,887	7,401

Support costs are defined as costs which cannot be directly identified with a single activity of the organisation, such as head office finance, human resources, facilities etc. and are primarily identified by cost centre. All costs associated with Sightsavers' overseas offices, such as finance or rent etc. are included as direct costs as these are directly related to the implementation of Sightsavers' programmes.

The support costs were allocated across the expenditure categories based on an estimate of the time spent. This estimate is updated periodically.

Other costs include foreign exchange gains and losses. In 2019 a foreign exchange loss of £697,000 (2018: loss of £200,000) arose on the translation of foreign currency denominated monetary net assets.

10 Net income/expenditure

	2019 £'000	2019 £'000	2018 £'000	2018 £'000
Stated after charging:				
Depreciation		740		289
Fees paid to Crowe:				
UK charity audit	73		71	
Pension scheme audit	6		6	
USAID audit	11		10	
		90		87
Fees paid to other audit firms:				
International audits	151		154	
EC project verification	9		15	
		160		169
Investment managers' fees		64		40
Operating lease charges		937		778

11 Staff costs

	2019 £'000	2018 £'000
Wages and salaries	18,329	14,891
Social security costs	1,653	1,365
Employer's contribution to defined contribution pension scheme	1,256	961
Operating costs of defined benefit pension scheme	-	98
End of service benefit	579	447
Other employee benefits	497	569
Total	22,314	18,331

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

	2019 No.	2018 No.
Directorate	8	8
Finance and performance	95	81
Global fundraising	84	77
NTD's	29	22
Policy and programme strategies	100	85
International programmes	313	287
Total	629	560

Staff number growth was grant- and contract-driven, in particular following an increase in Accelerate project activities and the new DFID Ascend contract. New staff members were recruited overseas and within the UK based programme teams to support this increase in activity, as well as within support functions.

The total employee remuneration of the Chief Executive and direct reports was £1,089,171 (2018: £956,984), inclusive of employer pension and national insurance contributions.

For staff paid £60,000 or greater per annum, the number of employees with emoluments in the following ranges were:

Range	No. employees	
	2019	2018
£60,000 – £69,999	18	13
£70,000 – £79,999	9	4
£80,000 – £89,999	4	6
£90,000 – £99,999	5	2
£100,000 – £109,999	-	-
£110,000 – £119,999	-	1
£120,000 – £129,999	1	1
£130,000 – £139,999	3	2

The cost of health insurance for two senior employees with places of work outside of the United Kingdom, with no available state health provision, are included within their emoluments above £60,000 per annum. These costs contribute to both of those staff members comprising the highest emoluments banding, and are also included in their remuneration as direct reports to the Chief Executive.

The Chief Executive received the highest base salary and also received the highest emoluments in 2019.

End-of-service benefit scheme liabilities / payments are deemed as employer's contributions to an individual employee pension scheme and as such are not classed as employee emoluments.

Sightsavers operates a flexible holidays scheme where employees can increase or decrease their annual holiday entitlement by buying or selling up to five days of holiday. The value of flexible holiday transactions, which increase and decrease remuneration, have not been included in the calculations of emoluments in the above table so as to allow comparability around base salary plus other emoluments.

Redundancy and termination payments made and provided for during the year to employees for compensation for loss of employment totalled £12,612 (2018: £1,374).

12 Pension costs

Sightsavers operates a defined contribution pension scheme for UK staff. The assets of the scheme are held separately from those of the Charity in an independently administered fund. Sightsavers contributes twice the level of an employee's contribution up to a maximum of 10 per cent per cent of pensionable pay. Contributions payable by Sightsavers were £1,255,296 in 2019 (2018: £934,315) of which £127,635 was outstanding at the balance sheet date (2018: £89,495). The disclosure in note 11 also includes the costs of contributions to overseas pension schemes.

Sightsavers operates a defined benefit pension scheme in the UK. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. The scheme was closed to new members on 30 September 2002 and closed to future accrual on 31 August 2010, although active members at that date continue to have their benefits linked to future salary increases. A full actuarial valuation is carried out every three years by a qualified actuary, independent of the scheme's sponsoring employer, the latest at 31 December 2018. The major assumptions used by the actuary for financial reporting are shown on pages 88-90.

Sightsavers has been operating a 10-year deficit recovery plan, paying funding contributions of £360,000 per annum to the scheme through to the end of 2026. In 2019, alongside the 31 December 2018 triennial actuarial valuation, Sightsavers implemented a discretionary adjustment to that plan so as to make contribution payments subject to inflation indexation, set at 3 per cent per annum, backdated to original commencement date of January 2017. The trustees of the pension scheme approved this change during the first quarter of 2020.

During 2019 Sightsavers made a one-off contribution payment to cover retrospective indexation to the end of 2018; contributions for 2019 were indexed to become £393,000. After year end indexation recovery payments will be £405,000 in 2020, with annual indexation thereafter. Payments are made monthly.

The new investment strategy has achieved significantly improved hedging of scheme liabilities and currently it is not expected that any adjustments will be needed to the recovery plan as a result of COVID-19 effects.



Local King Suno Seri Sonbobia the day of his trachiasis surgery in Nikki region, Benin.

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Present values of defined benefit obligation, fair value of assets and defined benefit asset (liability)

	2019 £'000	2018 £'000	2017 £'000
Fair value of plan assets	15,086	13,946	14,565
Present value of defined benefit obligation	(15,456)	(14,066)	(14,956)
Surplus (deficit) in plan	(370)	(120)	(391)
Unrecognised surplus	-	-	-
Defined benefit asset (liability) to be recognised	(370)	(120)	(391)

Reconciliation of opening and closing balances of the defined benefit obligation

	2019 £'000	2018 £'000
Defined benefit obligation at start of period	14,066	14,956
Expenses	-	-
Interest expense	388	369
Actuarial losses (gains)	1,432	(946)
Benefits paid and expenses	(430)	(411)
Losses (gains) due to benefit changes	-	98
Defined benefit obligation at end of period	15,456	14,066

Reconciliation of opening and closing balances of the fair value of plan assets

	2019 £'000	2018 £'000
Fair value of plan assets at start of period	13,946	14,565
Interest income	390	363
Actuarial gains (losses)	754	(931)
Contributions by the employer	426	360
Benefits paid and expenses	(430)	(411)
Fair value of plan assets at end of period	15,086	13,946

The actuarial return on the plan assets over the period ending 31 December 2019 was £1,144,000 (2018: £568,000).

Defined benefit costs recognised in net income / (expenditure)

	2019 £'000	2018 £'000
Net interest cost	(2)	6
Losses (gains) due to benefit changes	-	98
Defined benefit cost recognised in resources expended	(2)	104

Defined benefit costs recognised in other recognised gains (losses)

	2019 £'000	2018 £'000
Return on plan assets (excluding amounts included in net interest cost) -gain	754	(931)
Gains arising on the plan liabilities	(145)	(75)
Effects of changes in the demographic and financial assumptions underlying the present value of the plan liabilities - (loss)	(1,287)	1,021
Total	(678)	15

Following implementation of a new scheme investment strategy in 2019, the assets of the scheme are now held with Threadneedle Life, Baillie Gifford and BMO. The managed funds are invested in a diversified portfolio of investments comprising 77.3 per cent multi asset funds, 22.5 per cent Liability Driven Investments (LDI) and 0.2 per cent cash.

The fair value of assets of the scheme at 31 December 2019, along with the expected percentage rates of return (Asset RoR) on the scheme assets are as follows:

	Asset RoR%	2019 £'000	Asset RoR%	2018 £'000	Asset RoR%	2017 £'000
Growth assets		11,667		7,370		7,885
Gilts		-		3,371		3,367
Corporate bonds		-		3,161		3,281
Liability driven investments (LDI)		3,389				
Cash		30		44		32
Total assets	2.10 %	15,086	2.80 %	13,946	2.50 %	14,565

None of the fair values of the assets shown above includes any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

As required for the preparation of statutory accounts and in accordance with the requirements of FRS 102 the actuarial valuation was updated by JLT Benefit Solutions Limited (now part of the Mercer group) as at 31 December 2019. The major assumptions used for the purpose of calculating the deficiency were:

	2019	2018	2017
Discount rate	2.10%	2.80%	2.50%
Inflation (RPI)	2.80%	3.25%	3.25%
Inflation (CPI)	2.00%	2.25%	2.25%
Salary increases	2.30%	2.55%	2.55%
Allowance for revaluation of deferred pensions of CPI or 5% p.a. if less	2.00%	2.25%	2.25%
Allowance for pension in payment increases of RPI or 8.5% p.a. if less	2.70%	3.15%	3.15%
Allowance for pension in payment increases of RPI or 5% p.a. if less	2.70%	3.15%	3.15%
Allowance for pension in payment increases of CPI or 3% p.a. if less	2.00%	2.25%	2.25%
Allowance for commutation of pension for cash at retirement	75% of post A day	75% of post A day	75% of post A day

The mortality assumptions adopted as at 31 December 2019 imply the following life expectancies at age 65:

	2019 Years	2018 Years
Member aged 65 (current life expectancy) - male	21.8	21.8
Member aged 45 (life expectancy at 65) - male	23.6	22.8
Member aged 65 (current life expectancy) - female	23.1	23.7
Member aged 45 (life expectancy at 65) - female	25.2	24.9

The best estimate of contributions to be paid by Sightsavers to the scheme for the period commencing 1 January 2020 is £405,000.

Changes in the value of the scheme's assets and liabilities due to the economic impacts of the COVID-19 pandemic are not reflected in the Charity's financial statements as at 31 December 2019.

13 Trustees' expenses

	2019		2018	
	No. of trustees	£'000	No. of trustees	£'000
Reimbursed to trustees:				
UK related	12	26	12	17
Programme visits	1	2	4	15

No emoluments or any other benefits have been received by the trustees (2018: £nil). Trustees can be reimbursed for their travel and subsistence expenses in attending meetings. Additionally, trustees may occasionally visit Sightsavers' partners and programmes overseas, with costs of such trips being met by the Charity. Trustees are encouraged to visit at least one international programme in every four-year term served.

14 Related party transactions

The International Agency for the Prevention of Blindness (IAPB) is identified as a related party and was paid £100,000 in 2019 (2018: £110,278). In 2019 this payment was made primarily in support of their human resources for eye health programmes in Africa and also includes Sightsavers' membership fee to IAPB; no payable balance was outstanding at the end of the year (2018: £nil). Sightsavers received grant funding of £764,784 in 2019 (2018: £784,993) from Standard Chartered Bank's 'Seeing Is Believing' programme which is co-managed by the IAPB.

The following are also Trustees of the IAPB:

Dr Caroline Harper – Chief Executive of Sightsavers

Dr Robert Chappell – trustee of Sightsavers (term ended 2019)

Dr Caroline Harper is a board member of Accountable Now (formerly INGO Accountability Charter) which was paid £6,421 in 2019 (2018: £6,158) for membership fees and no balance was outstanding at the end of the year (2018: £nil). Dr Harper is also on the Board of trustees of the International Civil Society Centre; the Centre was paid £22,826 in 2019 (2018: £35,590) for event accommodation and support payments. A balance of £22,512 was outstanding at the end of the year (2018: £nil).

The related party transactions and intercompany balances of the Charity with subsidiary and related undertakings are:

	Grants from Sightsavers UK £'000	2019 Intercompany balances at 31 December £'000	Grants from Sightsavers UK £'000	2018 Intercompany balances at 31 December £'000
Sightsavers Ireland	-	398	-	881
Sightsavers Italia	-	335	-	497
Sightsavers International Inc.	7	(126)	-	(95)
Sightsavers Inc.	-	5,883	-	924
Insamlingsstiftelsen Sightsavers International (Sverige)	178	85	145	119
Stiftelsen Sightsavers International Norge	48	103	106	92
Sightsavers Middle East Consultancy FZE	-	-	-	-
Sightsavers (Trading)	-	29	-	24

15 Tangible fixed assets

	Freehold property £'000	Leasehold property £'000	Computer equipment £'000	Office fixtures and fittings £'000	Motor vehicles £'000	Total £'000
Cost or valuation						
At 1 January 2019	59	747	22	266	1,025	2,119
Additions	-	24	27	-	727	778
Disposals	-	-	(22)	-	(156)	(178)
At 31 December 2019	59	771	27	266	1,596	2,719
Depreciation						
At 1 January 2019	59	738	22	266	1,025	2,110
Charge for the year	-	11	2	-	727	740
Disposals	-	-	(22)	-	(156)	(178)
At 31 December 2019	59	749	2	266	1,596	2,672
Net book value						
At 31 December 2019	-	22	25	-	-	47
At 1 January 2019	-	9	-	-	-	9

Sightsavers' head office relocated in 2014 to 35 Perrymount Road, Haywards Heath, a leasehold property. The balance held in leasehold property above includes the capitalised finance lease cost associated with leasehold improvements and associated fixtures and fittings and a provision for future dilapidations costs to remove leasehold improvements at the end of the lease, in line with the conditions of the lease agreement.

16 Investments

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Market value at 1 January	6,022	6,294	6,022	6,294
Disposals at opening market value	(1,987)	(1,554)	(1,987)	(1,554)
Acquisitions at cost	2,018	1,656	2,018	1,656
Net unrealised gains on revaluation at 31 December *	522	(374)	522	(374)
	6,575	6,022	6,575	6,022
Cash held in portfolio at 31 December	177	117	177	117
Market value at 31 December	6,752	6,139	6,752	6,139
Historical cost at 31 December	6,053	6,397	6,053	6,397
Fund managed investments at market value	6,575	6,022	6,575	6,022
Non-fund managed investments at trustees valuation	-	-	-	-
	6,575	6,022	6,575	6,022

* In addition to the 2019 unrealised gains shown above, there were realised gains of £110,264 in the year (2018: realised gains of £19,097) which combine to provide the total net gain on investments as shown in the statement of financial activities on page 68.

Of the UK amounts the holdings with a market value greater than 5 per cent of the total portfolio value were:

	%	2019 £'000	2018 £'000
Key Multi Manager Hedge Fund Diversified	9.8	648	667
UBS ETF PLC MSCI UK SOC RES UCITS	9.4	621	663
Charity Property Fund	7.3	484	462
UBS INV Funds ICVC S&P	6.5	431	308
UBS ETF MSCI Emerging Mkt SHS A	6.3	415	-

The value of our investment holdings declined significantly in early 2020 as a result of the effects of the COVID-19 pandemic on global markets and economies. As at 31 March 2020 the value of investments had reduced to approximately £5.8 million. Values had recovered to approximately £6.3 million in early June 2020.

These subsequent changes in the fair value of the Charity's investments are not reflected in the financial statements as at 31 December 2019.

Subsidiary undertakings

These group accounts include the activities, assets and liabilities of its subsidiaries. Sightsavers has the following subsidiaries:

	Assets £'000s	Liabilities £'000s	Net assets £'000s	Capital £'000s	Income £'000s	Expenditure £'000s	Surplus/ (deficit) £'000s
2019 Sightsavers Ireland	1,209	503	706	-	5,651	5,634	17
Sightsavers Italia	896	699	197	-	2,980	2,960	20
Sightsavers International Inc.	149	9	140	-	18	19	(1)
Sightsavers Inc.	8,496	8,793	(297)	-	12,140	12,507	(367)
Insamlingsstiftelsen Sightsavers International (Sverige)	76	110	(34)	-	705	731	(26)
Stiftelsen Sightsavers International Norge	162	116	46	-	511	527	(16)
Sightsavers Trading	42	32	10	-	17	5	12
2018 Sightsavers Ireland	1,622	934	688	-	5,412	5,668	(256)
Sightsavers Italia	1,001	823	178	-	2,652	2,960	(308)
Sightsavers International Inc.	150	9	141	-	22	19	3
Sightsavers Inc.	2,260	2,190	70	-	3,337	3,152	185
Insamlingsstiftelsen Sightsavers International (Sverige)	147	155	(8)	-	800	807	(7)
Stiftelsen Sightsavers International Norge	189	128	61	11	535	532	3
Sightsavers Trading	26	28	(2)	-	2	5	(3)

17 Debtors

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Amounts owed by group and associated undertakings	-	-	6,831	2,792
Prepayments and accrued income	4,277	3,900	3,705	3,334
Other debtors	715	471	681	501
	4,992	4,371	11,217	6,627

Amounts owed by group and associated undertakings were: Sightsavers (Trading) £29,000 (2018: £24,000), Sightsavers Italia £334,000 (2018: £515,000), Sightsavers Inc £5,882,000 (2018: £1,160,000), Sightsavers Sweden £85,000 (2018: £119,000), Sightsavers Norway £103,000 (2018: £92,000), Sightsavers Ireland £398,000 (2018: £882,000).

18 Cash at bank and in hand

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Cash at bank				
UK	22,865	16,187	22,829	16,187
Ireland	851	1,210	-	-
Italy	711	911	-	-
USA	8,480	2,249	-	-
Sweden	68	120	-	-
Norway	162	190	-	-
Middle East	104	113	104	113
India	944	852	944	831
Africa	450	495	450	495
South Asia	148	163	148	163
	34,783	22,490	24,475	17,789
Cash in hand				
India	2	1	2	1
Africa	6	4	6	4
	34,791	22,495	24,483	17,794

Cash at bank includes money received at the year-end that is to be expended in the first quarter of 2020. In addition, further funds were received in advance to facilitate short-term cash commitments later than three months. In general, these are held in short-term, highly liquid interest-earning deposit accounts with our existing relationship bank partners until required. As of 31 December 2019 restricted cash stands at £ 27,049,761 (2018: £13,927,290).

19 Creditors

Amounts falling due within one year

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Bank loans and overdrafts	240	-	240	-
Amounts owed to group and associated undertakings	-	-	126	112
Payments received on account for contracts or performance related grants	9,567	4,731	6,641	3,709
Accruals and deferred income	2,222	3,053	1,886	2,813
Taxation and social security	419	454	391	421
Other creditors	1,729	1,368	1,592	1,240
	14,177	9,606	10,876	8,295

Amount owed to group and associated undertakings was: Sightsavers International Inc. £126,000 (2018: £112,000).

The Charity has a high level of restricted cash balances and associated liabilities due to a number of grants with performance-related conditions. When cash is received in advance on such grants, income is deferred until the performance conditions have been met.

Sightsavers has agreed a one-year renewable rolling £5 million standard general purpose overdraft facility with HSBC which can be utilised to provide working capital funding for specific contracts with payment in arrears terms, principally DFID Ascend and DFID DID. The facility operates via a designated bank account, which held an overdraft balance at 31 December 2019 of £240,435 (2018: £nil). The facility is unsecured but repayable on demand.

The Charity is committed to purchasing a total of US\$1.93 million (2018 \$2.32 million) under forward contract at 31 December 2019 and to sell a commensurate amount of GBP at a USD/GBP average rate of 1.2932 as part of its foreign exchange risk management strategy. The fair value of these forward purchases is held within other creditors (2018: other debtors). See note 21 for further details.

Movement on deferred income during the year

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Balance brought forward	6,512	7,109	5,491	7,109
Received in year	31,672	23,251	26,939	21,990
Released to income	(28,251)	(23,848)	(25,423)	(23,608)
Balance carried forward	9,933	6,512	7,007	5,491

The balance carried forward on deferred income is split between payments received on account for contracts or performance related grants and an element from accruals and deferred income. This element comprises funding received in advance for 2020 projects.

20 Provision for other liabilities

The charity had the following provisions during the year:

		Dilapidations provisions £'000	End of contract/ service benefit £'000	Employee benefit accrual £'000	Total 2019 £'000	Total 2018 £'000
Group	At 1 January 2019	54	489	148	691	585
	Additions	-	448	227	675	480
	Utilised	-	(487)	-	(487)	(256)
	Reversals	-	-	(147)	(147)	(123)
	Foreign exchange translation adjustment	-	(20)	-	(20)	5
	At 31 December 2019	54	430	228	712	n/a
	At 31 December 2018	54	489	148	n/a	691
Charity	At 1 January 2019	50	489	145	684	579
	Additions	-	448	225	673	478
	Utilised	-	(487)	-	(487)	(256)
	Reversals	-	-	(145)	(145)	(122)
	Foreign exchange translation adjustment	-	(20)	-	(20)	5
	At 31 December 2019	50	430	225	705	n/a
	At 31 December 2018	50	489	145	n/a	684

Dilapidations provision

As part of the Charity's property leasing arrangements there is an obligation to repair damages which incur during the life of the lease, such as wear and tear. The cost is charged to the SOFA as the obligation arises. The provision is expected to be utilised before 2028, the year the leases terminate.

End of contract / service benefit

The Charity provides certain international employees with an end of contract / service benefit. The Charity does not set aside assets to fund the payments and pays the benefits out of cash resources. The amounts provided are paid out as and when required and are ongoing whilst the employee remains in employment.

Employee benefit accrual

The Charity recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost and associated non-recoverable costs payable for the period of absence.

21 Financial instruments

The Charity has certain financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Certain other financial instruments are held at fair value, with gains and losses being recognised within income and expenditure.

The Charity has the following financial instruments measured at fair value through the profit and loss:

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Financial assets measured at fair value, through profit and loss				
Investments	6,752	6,139	6,752	6,139
Forward foreign exchange contracts	(29)	26	(29)	26
	6,723	6,165	6,723	6,165

	Group 2019			Group 2018		
	Income £'000	Expense £'000	Gain/(loss) £'000	Income £'000	Expense £'000	Gain/(loss) £'000
Financial assets measured at fair value, through profit and loss						
Investments	800	-	800	(193)	-	(193)
Forward foreign exchange contracts	-	(54)	(54)	46	-	46
	800	(54)	746	(147)	-	(147)

Sightsavers entered into four forward exchange contracts during the year to hedge forward currency exposure on future programme expenditure. These contracts were to purchase US dollars (USD) using sterling (GBP) each for six months in duration, at GBP/USD contract rates ranging from 1.2441 to 1.3210.

As at 31 December 2019 a combined purchase value of \$1,933,400 remained on two contracts which represents approximately 11 per cent of forecast USD correlated charitable expenditure for the equivalent period of the remaining contract (before taking account of USD income). As at 31 December 2019, the average mark to market USD/GBP exchange rate was 1.31.

As at 31 December 2019 the carrying amount in the balance sheet of these contracts was a loss of £29,187 (2018: gain of £25,999). This movement on the fair value forms part of the free reserves in Note 22.

The US dollar has strengthened post year-end as the COVID-19 pandemic has spread globally, which improves the gain / (loss) position of the remaining portion of the contracts in place as at 31 December 2019. As the forward purchases of USD are not of long duration and represent only a portion of expected USD correlated expenditures, the effect of a possible fall in actual such expenditures as a result of the COVID-19 pandemic is not expected to be significant.

22 Statement of funds

2019	Balance at 1 January 2019 £'000	Income £'000	Expenditure £'000	Investment gains/ (losses) £'000	Transfers £'000	Balance at 31 December 2019 £'000
General reserve:						
Free reserve	12,128	32,111	(33,609)	632	2,557	13,819
Pension reserve	(120)	-	428	(678)	-	(370)
Designated funds:						
Future overseas expenditure	1,514	-	-	-	(367)	1,147
Fixed assets fund	9	-	-	-	38	47
Liquidity reserve	3,000	-	-	-	-	3,000
Total unrestricted funds	16,531	32,111	(33,181)	(46)	2,228	17,643
Restricted funds:						
Donations and legacies:						
DFID Inclusion Works	30	2,482	(2,265)	-	(120)	127
DFID Aid Match	143	911	(955)	-	-	99
People's Postcode Lottery	1,074	2,889	(1,304)	-	(155)	2,504
Standard Chartered Bank Seeing is Believing	125	860	(851)	-	(5)	129
Irish Aid	-	1,543	(1,470)	-	(73)	-
States of Jersey	70	273	(264)	-	(45)	34
Fred Hollows Foundation	92	192	(183)	-	(9)	92
Charity Projects Comic Relief	57	13	(59)	-	(11)	-
Conrad N. Hilton Foundation	383	858	(399)	-	90	932
Dubai Duty Free	-	120	(109)	-	-	11
Dubai Cares	335	203	(413)	-	(13)	112
The END Fund	-	572	(463)	-	(83)	26
Izumi Foundation	23	87	(88)	-	8	30
Good Ventures Foundation (GiveWell)	2,050	7,748	(1,876)	-	(349)	7,573
Rama Prasad Group (RPG)	49	121	(136)	-	(8)	26
London School of Tropical Medicine	48	306	(289)	-	(50)	15
National Lottery Fund	154	195	(267)	-	(16)	66
Arcadia	-	768	(511)	-	(27)	230
Other	588	11,586	(11,322)	-	580	1,432
Sub total	5,221	31,727	(23,224)	-	(286)	13,438
Gifts in Kind	-	235,760	(235,760)	-	-	-
Income from charitable activities:						
DFID Nigeria NTD	522	1,150	(778)	-	(894)	-
DFID SAFE	-	4,156	(5,892)	-	1,736	-
DFID Aid Match	-	1,055	(906)	-	(149)	-
DFID DID	46	1,968	(2,014)	-	-	-
DFID ASCEND	-	8,958	(8,301)	-	(657)	-
USAID	-	246	(231)	-	(15)	-
The Queen Elizabeth Diamond Jubilee Trust	-	3,902	(3,271)	-	(631)	-
The Gates Foundation	-	2,405	(2,091)	-	(314)	-
Accelerate Partners	11	17,041	(16,038)	-	(1,014)	-
EC India	52	398	(418)	-	(4)	28
Sub total	631	41,279	(39,940)	-	(1,942)	28
Total restricted funds	5,852	308,766	(298,924)	-	(2,228)	13,466
Endowment funds:						
Mountjoy Trust	214	-	-	-	-	214
Total endowment funds	214	-	-	-	-	214
Total funds	22,597	340,877	(332,105)	(46)	-	31,323

2018

	Balance at 1 January 2018 £'000	Income £'000	Expenditure £'000	Investment gains/ (losses) £'000	Transfers £'000	Balance at 31 December 2018 £'000
General reserve:						
Free reserve	10,411	32,406	(29,950)	(355)	(384)	12,128
Pension reserve	(391)	-	256	15	-	(120)
Designated funds:						
Future overseas expenditure	1,042	-	-	-	472	1,514
Fixed assets fund	124	-	-	-	(115)	9
Liquidity reserve	-	-	-	-	3,000	3,000
Total unrestricted funds	11,186	32,406	(29,694)	(340)	2,973	16,531
Restricted funds:						
Donations and legacies:						
DFID Inclusion Works	-	871	(825)	-	(16)	30
DFID UK Aid Match	-	485	(342)	-	-	143
People's Postcode Lottery	-	1,074	-	-	-	1,074
Standard Chartered Bank Seeing is Believing	118	877	(1,007)	-	137	125
Irish Aid	-	1,535	(1,427)	-	(108)	-
States of Jersey	5	415	(306)	-	(44)	70
Fred Hollows Foundation	112	362	(350)	-	(32)	92
Charity Projects Comic Relief	99	119	(145)	-	(16)	57
Conrad N. Hilton Foundation	371	689	(846)	-	169	383
Dubai Duty Free	-	116	(108)	-	(8)	-
Dubai Cares	-	428	(39)	-	(54)	335
The END Fund	119	390	(418)	-	(91)	-
Izumi Foundation	15	110	(102)	-	-	23
Good Ventures Foundation (GiveWell)	1,736	1,947	(1,508)	-	(125)	2,050
RPG Foundation	70	255	(208)	-	(68)	49
London School of Tropical Medicine	232	318	(478)	-	(24)	48
National Lottery Community Fund	61	244	(114)	-	(37)	154
Other	1,066	10,343	(10,058)	-	(763)	588
Sub total	4,004	20,578	(18,281)	-	(1,080)	5,221
Gifts in Kind	-	232,106	(232,106)	-	-	-
Income from charitable activities:						
DFID Nigeria NTD	965	1,643	(1,637)	-	(449)	522
DFID Aid Match and Health Services Onchocerciasis / Lymphatic filariasis	-	1,312	(1,440)	-	128	-
DFID SAFE	-	8,111	(7,839)	-	(272)	-
DFID UK Aid Match	-	974	(815)	-	(159)	-
DFID Disability Inclusive Development	-	357	(311)	-	-	46
USAID	53	502	(420)	-	(135)	-
The Queen Elizabeth Diamond Jubilee Trust	-	9,427	(8,744)	-	(683)	-
The Bill & Melinda Gates Foundation	-	2,235	(2,033)	-	(202)	-
Accelerate Partners	-	2,255	(2,174)	-	(70)	11
The World Bank	-	285	(265)	-	(20)	-
EC Senegal	-	18	(18)	-	-	-
EC Uganda	-	193	(180)	-	(13)	-
EC Sierra Leone	-	247	(229)	-	(18)	-
EC India	-	116	(64)	-	-	52
Sub total	1,018	27,675	(26,169)	-	(1,893)	631
Total restricted funds	5,022	280,359	(276,556)	-	(2,973)	5,852
Endowment funds:						
Mountjoy Trust	214	-	-	-	-	214
Total endowment funds	214	-	-	-	-	214
Total funds	16,422	312,765	(306,250)	(340)	-	22,597

Designated funds

The balance on future overseas expenditure represents cash held in overseas programme countries bank accounts at the balance sheet date. These balances will be drawn down within one to two months of the year-end.

The balance on the fixed-asset fund represents the net book value of tangible fixed assets at the balance sheet date. These are operational assets required for the day-to-day operations of the Charity.

A liquidity reserve has been maintained as designated at year end 2019, at a level of £3 million, to ensure adequate operational liquidity and cash availability to support the day to day operations of the Charity.

Restricted funds

The transfer to unrestricted funds of £2,228,000 relates mainly to funds received as part of restricted funding agreements that are provided for Sightsavers indirect costs, principally under our large grants and contracts, including with DFID.

Endowment funds

The Mountjoy Trust is invested and the interest earned is expended specifically for the benefit of the visually deprived, either blind or near blind, in accordance with the terms of the bequest.

The principal grant contracts which Sightsavers has classified as restricted fund projects in 2019, the majority of which are recognised under charitable activities, are set out below:

Donor name	Countries affected	Formal contract name
Irish Aid	Cameroon, Liberia, Senegal and Sierra Leone	Strengthening Sightsavers' reach and impact in West Africa
States of Jersey	Mozambique, Zambia, Nigeria and Ghana	Jersey Overseas Aid
Conrad N. Hilton Foundation	Mali	Contribution to the elimination of trachoma as a public health problem in Mali
Conrad N. Hilton Foundation	Tanzania	To support expansion of eye health service awareness and utilization in the Morogoro region of Tanzania
Conrad N. Hilton Foundation	Tanzania	Support the national trachoma elimination programme in Tanzania
The END Fund	Côte d'Ivoire	Control and elimination of onchocerciasis and lymphatic filariasis in Côte d'Ivoire 2017-2018
The END Fund	Mali	Conducting pre-stop MDA impact assessment surveys in Koulikoro and Sikasso regions
Izumi Foundation	Ghana	Elimination NTDs in Ghana

Donor name	Countries affected	Formal contract name
Give Well - Good Venture Foundation	Cameroon, Nigeria, Guinea Bissau, Guinea Conakry and Democratic Republic of Congo	Delivering schistosomiasis and soil transmitted helminths MDA in: DRC (Ituri Nord) Nigeria (Kogi, Kebbi, Kwara and Sokoto states), Guinea Bissau and Guinea Conakry (3 districts in Forest region)
Give Well - Good Venture Foundation	Nigeria, Guinea and Democratic republic of the Congo	Delivering schistosomiasis and soil transmitted helminths MDA: DRC (Ituri Nord) Nigeria (Kogi, Kebbi, Kwara and Sokoto states), and Guinea Conakry (3 districts in Forest region).
Department for International Development	Burkina Faso, Chad, Central African Republic, Côte D'Ivoire, Democratic Republic of the Congo, Guinea, Liberia, Niger, Nigeria, Benin, Ghana, Guinea Bissau and Sierra Leone	Accelerating the Sustainable Control and Elimination of Neglected Tropical Diseases (ASCEND) Lot 2 – Western and Central Africa
Department for International Development	Bangladesh, Jordan, Kenya, Nepal, Nigeria and Tanzania	Disability Inclusive Development programme
Department for International Development	Bangladesh, Kenya, Nigeria and Uganda	Inclusion works
Department for International Development	Nigeria	Integrated Programme Approach to Control a range of NTDs in Nigeria
Department for International Development	Democratic Republic of Congo, Guinea Bissau, Nigeria and Uganda	Reducing prevalence of River Blindness and Elephantiasis and improving the lives of poor people
Department for International Development	Chad, Ethiopia, South Sudan, Tanzania and Zambia	Trachoma SAFE Implementation
Department for International Development	Kenya, Uganda, Malawi, Zambia and Mozambique	Improving eye health and reducing avoidable blindness for persons in trachoma endemic areas
Department for International Development	Bangladesh and Pakistan	The right to Health: Breaking down barriers to eye health in South Asia
Department for International Development	Tanzania	Improved sustainability and equity of access to affordable and quality eye care services for people, with and without disabilities, in Tanzania
USAID/RTI International Global	Global	Act to End NTD's
USAID	Mali	Inclusive education for visually impaired primary school children in Mali

Donor name	Countries affected	Formal contract name
The Queen Elizabeth Diamond Jubilee Trust	Kenya, Malawi, Mozambique, Nigeria and Uganda	The Queen Elizabeth Diamond Jubilee Trust Trachoma Initiative in Africa
The Bill & Melinda Gates Foundation	Global	1. Hosting the coordinating entity for the uniting to Combat NTDs coalition. 2. Enhancing the Advocacy capacity of the Uniting to Combat NTDs Support centre
The Bill & Melinda Gates Foundation	Mozambique	Onchocerciasis elimination mapping in Africa
Accelerate Partners:		
Commonwealth Summit Fund	Kenya, Tanzania, Nigeria, Pakistan, Papua New Guinea, Solomon Islands, Tonga, Nauru, Vanuatu and Kiribati	Contributing towards Eliminating Blinding Trachoma in the Commonwealth
The Bill & Melinda Gates foundation Virgin Unite Children's Investment Fund Foundation ELMA Foundation Anonymous Donor	Benin, Botswana, Bukina Faso, Cameroon, Côte d'Ivoire, Ethiopia, Guinea, Guinea Bissau, Kenya, Namibia, Senegal, Tanzania, Uganda, Zambia and Zimbabwe	Eliminate Blinding trachoma in ten African countries and make significant progress towards elimination in three other African countries via an integrated Neglected tropical Disease program and conduct targeted research on reducing child mortality through trachoma and onchocerciasis programmes
European Commission	India	No one left behind: promoting an inclusive society in Rajasthan

23 Analysis of net assets between funds

	Tangible fixed assets £'000	Investments £'000	Cash £'000	Other net assets £'000	Pension liability £'000	Net assets £'000
2019	Unrestricted funds:					
	-	6,538	3,594	3,687	(370)	13,449
	47	-	4,147	-	-	4,194
	-	-	27,050	(13,584)	-	13,466
	-	214	-	-	-	214
	47	6,752	34,791	(9,897)	(370)	31,323
2018	Unrestricted funds:					
	-	5,925	4,054	2,149	(120)	12,008
	9	-	4,514	-	-	4,523
	-	-	13,927	(8,075)	-	5,852
	-	214	-	-	-	214
	9	6,139	22,495	(5,926)	(120)	22,597

24 Leasing commitments

Finance lease obligations

Sightsavers is committed to making future minimum lease payments under finance leases of £nil (2018: £14,000). The obligation to make these payments falls due as follows:

	2019 £'000	2018 £'000
Land and buildings		
Within 1 year	-	11
Within 2-5 years	-	-
Sub total	-	11
Fixtures and fittings		
Within 1 year	-	3
Within 2-5 years	-	-
Sub total	-	3
Total	-	14

Operating lease obligations

Sightsavers is committed to make future minimum lease payments under non-cancellable operating leases of £2,266,000 (2018: £2,196,000). The obligation to make these payments fall due as follows:

	2019 £'000	2018 £'000
Land and buildings		
Within 1 year	792	633
Within 2-5 years	1,336	1,378
After 5 years	-	-
Sub total	2,128	2,011
Other		
Within 1 year	34	42
Within 2-5 years	104	128
After 5 years	-	15
Sub total	138	185
Total	2,266	2,196

25 Post-balance sheet events

Since 31 December 2019, the spread of COVID-19 has severely impacted global economies. Measures taken to contain the spread of the virus have triggered significant economic disruptions and have resulted in an economic slowdown in the UK and other countries. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions.

The Charity has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2019 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Charity for future periods.

In February 2020 a decision was taken to end fundraising activities in Sweden, via a managed withdrawal.

Obedoyah poses for a photo after being screened for river blindness in Gorzohn, River Cess, Liberia.



We work with partners in low and middle income countries to eliminate avoidable blindness and promote equal opportunities for people with disabilities

www.sightsavers.org

 **SightsaversUK**

 **@Sightsavers**

 **@sightsavers**

 **SightsaversTV**

Bumpers Way
Bumpers Farm
Chippenham
SN14 6NG
UK

+44 (0)1444 446 600

info@sightsavers.org

 **Sightsavers**