

national eye
RESEARCH CENTRE

YOUR SIGHT OUR VISION

National Eye Research Centre
A Charitable Incorporated Organisation
Audited Financial Statements and Report
Year Ending 30 June 2020

Registered Charity Number: 1156134

National Eye Research Centre

Reference and administrative details

For the year ended 30 June 2020

Charity number	1156134
Registered office and operational address	Redwood House Great Park Road Bradley Stoke Bristol BS32 4QW
Patron	The Most Honourable The Marquess of Reading
Vice Presidents	Professor John Armitage OBE Professor David L Easty MD FRCS Professor Andrew Lotery MD FCROphth Professor John Marshall MBE Lady Wills
Trustees	Trustees who served during the year and up to the date of this report were as follows: Major Gen (Retired) Chris Callow CB OBE FFPH Dr Dolores Conroy Dr John Cottrell MA FCA Mr Robert Drewett DL Mr Rodney Grey FRCS FRCOphth Chair Mr Philip Jackson Mr Sidath Liyanage Mrs Carol Mayo appointed 28 January 2020 Mr Adam Ross MB ChB Mrs Cathy Williams
Scientific Advisory Committee	Professor Sobha Sivaprasad DM, FRCOphth, FRCS (Chairman) Miss Clare Bailey, MD, FRCP, FRCOphth Professor Alastair Denniston MA MRCP FRCOphth PhD Professor Chris Inglehearn BSc PhD Dr J. Arjuna Ratnayaka Professor Alan Stitt Professor Marcela Votruba, PhD FRCOphth Dr Anthony Vugler Professor Andrew Webster
Chief executive officer	Ms Laura Serratrice

National Eye Research Centre

Reference and administrative details

For the year ended 30 June 2020

Principal bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Burton Sweet The Clock Tower Old Weston Rd Flax Bourton Bristol BS48 1UR
Investment managers	Smith & Williamson Investment Managers Portwall Place Portwall Lane Bristol BS1 6NA
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

National Eye Research Centre

Chairman's report

For the year ended 30 June 2020

Introduction

The Trustees are deeply grateful to all of the donors who have supported the charity again this year, whether with individual donations or grants from charitable foundations. The charity has a particular debt of gratitude to the donors who have supported the funding of eye research with a gift in their will. For the most part, legacies have been received unexpectedly and we have not had the opportunity to thank these outstandingly generous and selfless donors. We do so here, anonymously, and refer our readers to our website where we list our supporters' names and how we have applied their gifts.

It is with our donors in mind that, once again this year, we have taken additional steps to ensure that our use of their gifts is as cost-efficient as possible, while achieving the goal of funding high quality research that has the greatest potential to lead to new treatments for sight loss.

During the year, the charity has made yet more changes in a bid to strengthen its operational foundations. The goal is to create a solid platform from which to launch a new approach to income generation over the coming years. An internal restructure has enabled the charity to redeploy funds from administration to marketing to ensure that the charity can have greater visibility. This will be a crucial support in months and years to come to aid the charity's income generation plans. The restructure has also allowed the charity to move to new premises with no additional impact on its bottom line. Importantly, this move confirms the charity's true national outlook in its funding distribution.

We were delighted to welcome Mrs Carol Mayo as a new Trustee (January 2020). Carol joined the Board at a pivotal time in the evolution of the charity, and each member of the Board continues to contribute important skills, knowledge, and experience together with the commitment to ensure that the organisation is sustainable and successful in the long term. Our goal continues to be to bring the greatest possible benefit to the advancement of research to prevent and treat eye disease and sight loss in both children and adults.

In November 2019, we started an organisational strategic review to ensure that the charity is well placed over the coming years to face the sector income generation challenges with a goal to increase income generation and, crucially, to provide greater sustainability through decreasing its reliance on volatile legacy income. However, while we have always fundraised in the face of strong competition for funds, there is no doubt that COVID-19 has brought new challenges that are bound to accompany the sector for the foreseeable future. In 2020-21 we will continue to monitor our financial position carefully to ensure that we can meet all our existing commitments, including potential costed extensions for projects that have been severely disrupted by the lockdown laboratory closures for over three months.

Income

We are pleased to report another strong year with total income of £1,087,009 (£1,232,331 in 2018-19). However, even though this is a positive result, the Board remains deeply conscious of the fact that legacy income accounts for an unsustainable 77% of the charity's total funds raised this year. Long term plans are taking shape to ensure greater financial sustainability in the coming years. For now, however, the total funds raised in the year take our unrestricted reserves to £1,754,447 which is above our £700,000 target for free reserves and should be viewed as a surplus of £750,000 available for investment in research, after total running costs of £261,000 have been accounted for in the 2020-21 financial year.

National Eye Research Centre

Chairman's report

For the year ended 30 June 2020

Expenditure

During the year, the charity paid out ongoing research grants for a total of £614,355 and made new grant commitments for a total of £149,291. In addition, it designated £750,000 to research expenditure in lieu of its usual April annual grant round which was postponed to July 2020, and to meet potential costed extension requests that may be received in 2020-21 as a result of COVID-19 disruption to projects.

Our focus also continues to be on ensuring that the organisation is well run and that it is an outstanding steward of the funds donated by our supporters to advance eye research. In our non-charitable expenditure, we remain therefore vigilant in our procurement ensuring value for money is paramount in choosing external suppliers. Our return on investment (ROI) this year remains strong at 1:6.29 (1:6.22 in 2018-19). Our cost to raise a pound (CTRP) remained stable at 16p (16p in 2018-19) in this financial year. Of course, these positive trends are buoyed by exceptional legacy income this year again, but our expenditure has remained strictly in line with budgets taking our total running costs to £213,551 (including cost of raising funds, cost of grant making administration, and governance).

Summary

It remains the case that two million people in the UK alone are living with a significant degree of sight loss. This number is projected to double to four million by 2050 due to our ageing population, if no further investment in research is made to find new treatment and prevention options. The sight loss charity sector is dominated by charities who do a terrific job in providing much needed services to assist the visually impaired. Given the huge demands on their resources, these organisations do not have funds to deploy to research so it is the responsibility of organisations like the National Eye Research Centre to continue to raise awareness of the importance of eye research and encourage increasing levels of support – in addition to that provided to patient services charities – to provide the tools critical to scientific and medical discovery in this field and beat sight loss faster.

Mr Rodney Grey FRCS FRCOphth (Chair)
Chair of Trustees
National Eye Research Centre

National Eye Research Centre

Report of the trustees

For the year ended 30 June 2020

The Trustees are pleased to present their annual report together with the financial statements of the charity for the year ending 30 June 2020. The financial statements comply with the Charities Act 2011, the constitution, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Structure, Governance and Management

Governing Document

The charity is constituted as a Charitable Incorporated Organisation (CIO) registered with the Charity Commission in England and Wales under registration number 1156134 and governed by its constitution dated 1 April 2014.

Appointment of Trustees

When appointing new Trustees, the Board discusses the Trustees' skills requirements and suitable potential candidates. Candidates are approached and invited to attend a trustee meeting as an observer. If the Board approves the candidate and the candidate is willing to serve then they are appointed.

Trustee induction and training

The induction of new Trustees is provided by the Chief Executive who briefs them on their legal liabilities under charity law, Charity Commission guidance on public benefit, the content of the charity's constitution, the business plan, operating budget and current financial status of the charity. Occasional training is provided to the Board as a group or individually when a need is identified.

Organisation

The Board of Trustees comprises a minimum of three and a maximum of twelve members. The Board normally meets quarterly and is quorate for making decisions with a minimum of three members present. At its meetings the Board reviews financial performance, the management of research grants and fundraising, and exposure to risk. The day-to-day management of the charity is delegated to the Chief Executive. All grant-making decisions are made by the Board collectively but 'no-cost' grant adjustments are authorised by the Chairman. The Board approves an annual operating budget and measures operational performance against this. Significant expenditure outside the budget is authorised by the Board.

Membership of professional bodies

The charity is a member of the Association of Medical Research Charities and is registered with the Fundraising Regulator. The charity seeks to abide by these organisations' principles of best practice at all times.

Related parties

Trustees are required to maintain a register of interests and when the charity considers purchasing goods or services from a company in which a trustee has an interest, that trustee withdraws from any discussion on the awarding of the contract and the value of any contract subsequently awarded is disclosed in these accounts.

Until 31 December, the University of Bristol directly employed one of the charity staff (the Charity Manager) and recharged their employment costs to the charity on a contractual basis. Following consultation with the Board and the University of Bristol, the role of Charity Manager was made redundant in October 2019, and the charity no longer employs staff on a contractual basis.

National Eye Research Centre

Report of the trustees

For the year ended 30 June 2020

It was a condition of the University of Bristol that the provision of free accommodation and services was dependent on the continuing employment of at least one charity staff by the University. Following the departure of the last University of Bristol employed staff, the charity has had to seek new premises. Until 31 March 2020, the charity occupied office space in the Bristol Eye Hospital which was provided rent free by the University of Bristol. The University of Bristol also provided IT services and utilities free of charge to the charity (although the charity was recharged for hardware purchases). The charity moved to new premises on 1 April 2020 and is now paying a commercial rent. The charity's digital files were transferred away from the University of Bristol network and the charity's facilities, operations, and staff are now entirely independent from the University of Bristol.

Pay policy for senior staff

The remuneration of the Chief Executive is agreed annually by the Board following the Chief Executive's annual appraisal. The remuneration and terms of employment of the contracted charity staff were set by the University of Bristol by whom they were employed and were thus beyond the control of the charity. The charity now directly employs four staff and it will develop a remuneration policy to be put in place in 2020-21 and beyond.

Objectives and activities

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The charity's mission is the relief of sickness and the promotion of good health for the public benefit by funding and supporting research into the causes and treatment of eye disease and blindness and publishing and disseminating the useful results thereof.

By investing in eye research the charity aims to facilitate the development of new treatments which will improve eye health and reduce the incidence of eye disease, partial sight loss, and blindness. The charity aims to raise as much money as possible for investment in the best eye research applications received during its annual grant call. The charity promotes its annual grant call as widely as possible in order to attract a broad range of grant applications from which it can select the best for funding. All funding decisions are aided by external peer review assessment, and by the expert advice of the charity's Scientific Advisory Committee.

Research grant funding

- The aim of the charity is to prevent sight loss and blindness by investing in research into treatments for eye disease.
- The charity is a member of the Association of Medical Research Charities (AMRC) and abides by the AMRC's principles of best practice in peer review when prioritising which research applications demonstrate the best scientific merit and likelihood of patient benefit. These principles include the use of an independent Scientific Advisory Committee which makes recommendations to the Board of Trustees regarding the best research applications. The Scientific Advisory Committee is a volunteer board comprising experts in the eye research field and is independent from the charity's Board of Trustees.

Volunteers

- The charity is grateful to the individuals serving on the Board of Trustees and lending their expertise on the Scientific Advisory Committee. The charity occasionally avails itself of volunteers if running special events.

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Report of the trustees

For the year ended 30 June 2020

Achievements and performance

The Trustees measure the charity's performance against its charitable objectives by assessing:

- The amount of money invested in eye research;
- The quality of the research applications funded in the current year;
- The quality of outcomes from previously funded research as measured by:
 - The annual and final reports submitted by grant holders; and
 - The publications' record of grant holders.

During the year the charity paid out ongoing research grants of £614,355 and made new grant commitments of a total of £149,291. It also designated £750,000 to research expenditure in lieu of its usual April annual grant round which was postponed to July 2020. The postponement was a result of the Board's approach to protecting its finances and ensuring that all existing commitments could be met despite the financial turmoil caused by the breakout of COVID-19. At the time of the decision making (April), the charity's investment portfolio had recorded significant losses of over £250,000 with no signs of market stabilisation. In addition, it had become clear that developing the charity's fundraising would become even more challenging in the post COVID-19 climate and that the plans would most likely take longer to come to fruition. At the April meeting, therefore, the Board agreed to monitor the financial situation and postpone decisions on further grant commitments to the July 2020 meeting. The designated funds will be used to meet new grant commitments made in July 2020 as well as potential costed extension requests on existing commitments where the projects have been severely disrupted by the laboratory closures due to COVID-19 lockdown rules earlier in the year.

Around two million people in the UK alone suffer from a degree of sight loss that has a significant impact on their daily lives. Increasing longevity and the increase in lifestyle diseases, such as obesity and type 2 diabetes, which are major triggers for eye disease and sight loss, suggest that number will more than double within a generation. The charity is one of very few whose principal objective is to invest in research which will treat or prevent future sight loss rather than provide support to those living with sight loss. Sight loss is generally feared second only to a cancer diagnosis and most people would rather lose a limb than their sight, yet less than 2% of publicly funded medical research in the UK is directed at eye disease, sight loss and blindness.

- The vision of the charity is for research to find effective treatment and prevention options for all eye diseases in both children and adults. Eye research in the UK remains critically underfunded and the National Eye Research Centre generally turns down at least 75% of research applications it receives due to lack of financial resources. Turning down even one excellent research application means people with eye disease or sight loss will wait longer for an effective treatment to be found.
- The charity employs 3.8 FTE staff and, subject to resources, generally aims to invest around £400,000 annually in eye research.

Investment policy and performance

The Trustees delegate the investment of specified funds to professional investment managers and agree a set of investment objectives which are reviewed annually.

The investment objective of the charity is to seek to produce the optimum total return from its investment portfolio, so that the real value of the assets is maintained and enhanced over the long-term, by investing in a diversified portfolio of suitable investments.

National Eye Research Centre

Report of the trustees

For the year ended 30 June 2020

In January 2020, at the annual investment policy review, the Board decided to reduce the investment income target from 3.5% to 3% of the capital value of the portfolio per annum in order to provide more flexibility to its investment managers. The portfolio will contain a balance between assets intended to maximise the predictability of returns, and assets with greater potential for growth.

It was also agreed that direct investment in companies generating more than 5% of their revenue from the production or sale of tobacco is excluded (the previous threshold was 10% of tobacco related profits).

At the year end the investment portfolio was valued at £1,803,816. Over the previous twelve months the portfolio has returned -3.9%, compared to the benchmark return of 6.83%. The lower performance is of course due to the global market disruption caused by COVID-19. The Trustees were encouraged to see that, at year end, the portfolio had recuperated 75% of the losses made earlier in the year, however it is already clear that interest earned on the portfolio will be at least 20% lower than in the previous financial year. However, the Board continues to take a reasonably cautious approach to our investment portfolio and it is not proposing any significant change to the investment strategy in the near term.

Fundraising

The Charities Act (Protection and Social Investment) 2016 came into effect in November 2016. It states new requirements for annual statements about fundraising and these are covered below:

The charity's approach to fundraising and whether a professional fundraiser or commercial participator was used:

The National Eye Research Centre's approach to fundraising is that the objective of all fundraising expenditure will be to maximise our return on investment whilst maintaining the best possible relationships with all our supporters. We continue to focus on raising funds from charitable trusts and foundations and have increased this function from 0.6FTE to 0.8FTE in January 2020.

Details of any voluntary fundraising schemes or standards to which the charity, or anyone fundraising on its behalf, has subscribed and any incidents of non-compliance:

The National Eye Research Centre is a member of the Fundraising Regulator. We pay their voluntary levy and abide by their regulations and principles of best practice. The Chief Executive of the charity is a member of the Institute of Fundraising and abides by their code of conduct for fundraisers. There were no incidents of non-compliance during the year.

Whether and how the charity monitored fundraising activities carried out on its behalf:

The Trustees agree an annual income and expenditure operating budget for the charity. The Chief Executive utilises the resources allowed in the expenditure budget to deliver the income targets. For each component of this fundraising activity, an income target is set that will generate an acceptable return on the fundraising investment made. The Chief Executive reports on a quarterly basis to the Board on the performance of each fundraising activity relative to the budget. If a fundraising activity fails to generate its expected return on investment the Chief Executive recommends strategies to improve the return, curtail the activity or implement alternative fundraising solutions. The charity has developed plans to create sustainable income generation pipeline across several income streams over the next 5-10 years. This is to free the charity from the over reliance on volatile and unpredictable legacy income in order to fulfil its charitable activities and maintain a going concern.

National Eye Research Centre

Report of the trustees

For the year ended 30 June 2020

How many complaints the charity, or anyone acting on its behalf, has received about fundraising for the charity:

The charity has an agreed complaints procedure and staff are required to bring any complaint to the attention of the Chief Executive and to record the complaint on the charity's CRM database. We are delighted to record that no complaints were received about our fundraising activities – or any other activities – during the year.

What the charity has done to protect vulnerable people and others from: unreasonable intrusion on a person's privacy; unreasonably persistent approaches; or undue pressure to give:

The National Eye Research Centre has approved policies for safeguarding and privacy. The charity's website includes our privacy policy and a commitment to ensuring that supporters are in control of how communications with them are managed. In compliance with GDPR regulations, we are responsive to all communications preferences updates and act according to the wishes of the supporter. Furthermore, every piece of communication to supporters, whether by post or email, carries an unsubscribe option. We believe the fact that we have had no complaints about our fundraising activities this year, whilst not a reason to be complacent, suggests we have managed the frequency of our communications and the stridency of the need to give to an appropriate level when balanced against the desire to raise funds for our charitable purpose.

Fundraising Summary

2019-20 income from general donations fell from £92,204 (2018-19) to £77,487. The higher income in the previous year was due to the charity having cut its fundraising events. Income from charitable trusts and foundations also fell in this financial year from £158,484 (2018-19) to £98,745. The lower than hoped for result is due to delays in the two projects that were proactively fundraised for (in the first half of the financial year), and to increased competition and diversion of funds from many trusts and foundations in response to the significant sector shortfalls caused by COVID-19.

All charities, however, fundraise in a challenging environment where competition is ever greater with a growing and ever more professionalised body of fundraising charities. The competition for support, particularly from charitable trusts and foundations, is intense and carries increasing scrutiny about the viability of projects and charities as a whole. In order to be successful in implementing a programme of more proactive fundraising, an organisational strategic review has been carried out and its finalisation is ongoing. This will ensure that the National Eye Research Centre remains relevant to the sector that it is aiming to support.

The main objectives of the organisational and income generation review are to increase voluntary income and to inject sustainability in the programme. The charity's income has been relying mainly on legacy income which has accounted for around 50% of funds raised over the last 4 years. In 2019-20, it accounts for 76% of total voluntary income. The non-legacy income remains stable at around £250,000, but, without legacy income, this would not be a sufficient amount for the charity to remain viable and relevant. In addition, approximately half of the non-legacy income received is restricted to research spend and cannot be used for the charity's general operations.

National Eye Research Centre

Report of the trustees

For the year ended 30 June 2020

During 2020-21, we will finalise a new research funding strategy for the charity which will be supported by a more proactive income generation strategy through more targeting fundraising and marketing with a view of establishing more predictable income over the next 10 years. The post COVID-19 and post Brexit environment will be a challenging one to develop our fundraising plans and we may, for a period of time, be more cautious about the amounts we commit to new grants in order to ensure the long term financial sustainability of the charity and ensure that we are in a position to fulfil our fundraising potential in future years, adding income to a still significantly underfunded research sector.

Financial review

The charity had another strong year with total income of £1,087,009 (£1,232,331 in 2018-19), which represents an decrease of 12% from the previous year. This is primarily due to the a lower level of legacy income than in the previous year, and a slight decrease in trusts and foundations income.

The net result was that unrestricted reserves increased to £1,754,447 which is above our £700,000 target for free reserves and should be viewed as a surplus of £750,000 available for investment in research after total running costs of £255,000 have been accounted for in the 2020-21 financial year.

Sources and application of funds

The charity raises funds from a very loyal base of individual supporters, trusts and foundations. Gifts in wills account for the most significant part of funds raised. During the year the charity paid out ongoing research grants for a total of £614,355 and made new grant commitments for a total of £149,291. In addition, it designated £750,000 to research expenditure in lieu of its usual April annual grant round which was postponed to July 2020 and to meet potential costed extension requests that may be received in 2020-21 as a result of projects being severely disrupted by COVID-19.

Risk management

The Trustees consider all the known risks confronting the charity every year and these risks are recorded in a risk register. The Trustees then score all the risks on the register according to their likelihood of occurrence and their impact on the charity should they happen. This is managed according to the Charity Commission's guidance on risk in its publication CC26. The charity develops and maintains a schedule of management and mitigation strategies for all the significant risks identified by the Trustees

Reserves

Legacy income represents an often disproportionate contribution to the charity's income and varies widely from year to year. The Trustees wish to be able to fund eye research to a broadly consistent level and avoid peaks and troughs of funding caused by the volatility of legacy income. The Trustees have therefore approved a reserves policy which can sustain one year of research funding and one year of charity operation even when income generation falls below forecasts. To date, the Trustees have calculate the level of free reserves necessary to achieve this to be £700k. In 2020-21, the Board will review whether this level may need to be temporarily increased to ensure that the charity can withstand the negative impact that the post COVID-19 and Brexit environment will have on income generation over at least the next two years, according to predictions from financial experts.

National Eye Research Centre

Report of the trustees

For the year ended 30 June 2020

In view of a challenging time ahead for the charity sector, the Trustees have created a designated Strategic Fund to hold £750,000 of free reserves that will be utilised over the next two financial years (2020-21 and 2021-22). The fund will enable the charity to make new research funding commitments that were put on hold in 2019-20 due to COVID-19 related uncertainties. It will also enable the charity to meet any appropriate COVID-19 related costed extension requests it might receive over the next 18-24 months, as well as strategic funding of potential additional research projects. The Strategic Fund may also be used to support the charity's development of its fundraising capacity over the next two financial years, a time when the fundraising environment is expected to be especially challenging and income generation may perform at unpredictable levels. The charity has agreed a 10-year development plan with the goal of increasing income generation to sustain an ever increasing grant making capacity in the future and ensure that the organisation is run in a sustainable and predictable way.

The charity is also considering diversifying its income generation and it is exploring potential trading initiatives.

Going concern

The COVID-19 pandemic is likely to have a profound impact on the global economy, and may in turn affect the charity. The Trustees have considered the impact of this issue on the charity's current and future financial position. The charity holds unrestricted, general reserves of £1,004,447, designated reserves that can be drawn down if necessary of £750,000, and a cash balance of £806,205. The Trustees consider that the charity has sufficient unrestricted reserves and cash flow to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

Plans for future periods

In April 2020, the charity employed its first Marketing Manager to support the charity's new income generation plans which aim at reducing the charity's unsustainable over-dependency on legacy income. This will entail broadening the supporter base to mitigate the identified risk of being over-reliant on a too narrow range of income streams. It will also involve more project-based fundraising campaigns aimed at raising income for specific projects rather than the previous broad-brush generic fundraising to finance the annual grants round. A clearly defined research funding strategy will, in turn, support marketing and fundraising plans.

The Trustees believe that eye research in the UK is critically underfunded and the charity exists to redress that underfunding. The Trustees' ambition is that the National Eye Research Centre becomes a leading charity funder of eye research at all centres of research excellence in ophthalmology in the UK.

The Trustees also believe that 1% of total medical research funding is too small a percentage for a disease group which severely impacts the lives of over two million people in the UK alone. Furthermore, with the UK's ageing population and the increasing incidence of key sight loss triggers, such as obesity and diabetes, the number of people with significant sight loss is projected to double to four million by 2050. Substantial investment will be required to curtail this projected increase in eye disease, sight loss, and blindness.

National Eye Research Centre

Report of the trustees

For the year ended 30 June 2020

Statement of responsibilities of the Trustees

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Account Standards, including Financial Report Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those financial statements the Trustees are required to select suitable accounting policies and then apply them consistently;

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) 2008 and the provisions of the constitution. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

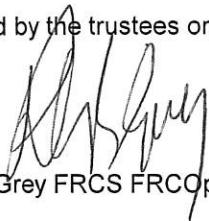
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity are not required to contribute to the assets of the charity in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interests in the charity.

Auditors

Godfrey Wilson Ltd were re-appointed as the charity's auditors during the year and have expressed their willingness to act in that capacity.

Approved by the trustees on 20 October 2020 and signed on their behalf by



Rodney Grey FRCS FRCOphth - Chair

Independent auditors' report

To the members of

National Eye Research Centre

Opinion

We have audited the financial statements of National Eye Research Centre (the 'charity') for the year ended 30 June 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related 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 charity's affairs as at 30 June 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity 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 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report

To the members of

National Eye Research Centre

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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, 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 they 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 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.

Our responsibilities for the audit of the financial statements

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

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

Independent auditors' report

To the members of

National Eye Research Centre

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Godfrey Wilson Limited.

Date: 27 OCTOBER 2020

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

National Eye Research Centre

Statement of financial activities

For the year ended 30 June 2020

	Note	Restricted £	Unrestricted £	2020 Total £	2019 Total £
Income from:					
Donations and legacies	3	95,044	936,073	1,031,117	1,166,828
Investments		-	55,892	55,892	65,503
Total income		<u>95,044</u>	<u>991,965</u>	<u>1,087,009</u>	<u>1,232,331</u>
Expenditure on:					
Raising funds		-	172,758	172,758	198,002
Charitable activities		-	237,939	237,939	674,297
Total expenditure	4	<u>-</u>	<u>410,697</u>	<u>410,697</u>	<u>872,299</u>
Net income before gains / (losses)		95,044	581,268	676,312	360,032
Net gains / (losses) on investments	10	<u>-</u>	<u>(128,453)</u>	<u>(128,453)</u>	<u>22,450</u>
Net income		95,044	452,815	547,859	382,482
Transfers between funds		<u>(34,970)</u>	<u>34,970</u>	<u>-</u>	<u>-</u>
Net movement in funds	7	60,074	487,785	547,859	382,482
Reconciliation of funds:					
Total funds brought forward		<u>(1,987)</u>	<u>1,266,662</u>	<u>1,264,675</u>	<u>882,193</u>
Total funds carried forward		<u><u>58,087</u></u>	<u><u>1,754,447</u></u>	<u><u>1,812,534</u></u>	<u><u>1,264,675</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the accounts.

National Eye Research Centre

Balance sheet

As at 30 June 2020

	Note	£	2020 £	2019 £
Fixed assets				
Investments	10		1,803,816	1,758,140
Current assets				
Debtors	11	42,411		160,697
Cash at bank and in hand		<u>806,205</u>		<u>663,284</u>
		848,616		823,981
Liabilities				
Creditors: amounts falling due within 1 year	12	<u>(741,440)</u>		<u>(1,018,519)</u>
Net current assets / (liabilities)			<u>107,176</u>	<u>(194,538)</u>
Total assets less current liabilities			1,910,992	1,563,602
Creditors: amounts falling due after more than 1 year	13		<u>(98,458)</u>	<u>(298,927)</u>
Net assets	14		<u>1,812,534</u>	<u>1,264,675</u>
Funds				
Restricted funds	15		58,087	(1,987)
Unrestricted funds				
Designated funds			750,000	-
General funds			<u>1,004,447</u>	<u>1,266,662</u>
Total charity funds			<u>1,812,534</u>	<u>1,264,675</u>

Approved by the trustees on 20 October 2020 and signed on their behalf by


Rodney Grey FRCS FRCOphth - Chair

National Eye Research Centre

Statement of cash flows

For the year ended 30 June 2020

	2020	2019
	£	£
Cash used in operating activities:		
Net movement in funds	547,859	382,482
Adjustments for:		
Gains on investments	128,453	(22,450)
Dividends and interest from investments	(55,892)	(65,503)
Decrease / (increase) in debtors	118,286	(134,726)
Increase / (decrease) in creditors	(477,548)	126,409
Net cash provided by operating activities	261,158	286,212
Cash flows from investing activities:		
Dividends and interest from investments	55,892	65,503
Proceeds from the sale of investments	374,691	568,692
Purchase of investments	(548,820)	(627,976)
Net cash provided by investing activities	(118,237)	6,219
Increase in cash and cash equivalents in the year	142,921	292,431
Cash and cash equivalents at the beginning of the year	663,284	370,853
Cash and cash equivalents at the end of the year	806,205	663,284

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

National Eye Research Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. However, the COVID-19 pandemic has had a profound impact on the global economy. The trustees have considered the impact of this issue on the charity's current and future financial position.

The charity's investment portfolio incurred significant losses in the first weeks in March 2020, as the markets worldwide responded to the actual and foreseen economic impact of COVID-19. Those losses were largely recovered by the end of the financial year, but mindful of the exceptional situation created by the pandemic, the Trustees have modelled a number of financial scenarios and they are confident that the charity will continue to be in operation for the next 12 months. As the charity holds unrestricted, general reserves of £1,004,447 and, in addition to its investments, a cash balance of £806,205, the trustees consider that the charity has sufficient reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Investment income

Interest on funds held on deposit, dividends and other investment income are included when receivable and the amount can be measured reliably by the charity. This is normally upon notification of the amounts paid or payable by the bank or investment managers.

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Transfers from restricted funds to unrestricted funds represent income received during the year which carries donor imposed conditions to be expended upon specific projects. The cost of these projects has been recognised through the Statement of Financial Activities in a prior period when the grant commitment was originally made and therefore when the income is received it is transferred to unrestricted funds to follow the treatment of the expenditure when it was recognised.

g) Expenditure and irrecoverable VAT

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.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Grants payable

Grants payable are charged in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached have been fulfilled. Grants offered subject to conditions at the year end are noted as commitment but are not accrued as expenditure.

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

i) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the basis of staff time spent on each activity:

	2020	2019
Raising funds	57%	69%
Charitable activities	43%	31%

j) Listed investments

Investments in quoted shares, traded bonds and similar investments are measured initially at cost and subsequently at fair value (their market value). The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

k) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

l) Cash at bank and in hand

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

m) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

The charity only has 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 their settlement value.

o) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values 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 ongoing 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 both current and future periods.

There are no key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2019 Total £
Income from:			
Donations and legacies	156,156	1,010,672	1,166,828
Investments	-	65,503	65,503
Total income	156,156	1,076,175	1,232,331
Expenditure on:			
Raising funds	1,923	196,079	198,002
Charitable activities	176,534	497,763	674,297
Total expenditure	178,457	693,842	872,299
Net income / (expenditure) before gains	(22,301)	382,333	360,032
Net gains on investments	-	22,450	22,450
Net movement in funds	(22,301)	404,783	382,482
Transfers between funds	14	(14)	-
Net movement in funds	(22,287)	404,769	382,482

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

3. Donations and legacies

	Restricted £	Unrestricted £	2020 Total £
Donations (including Gift Aid)	85,044	91,188	176,232
Legacies	10,000	829,710	839,710
Gifts in kind*	-	15,175	15,175
Total donations and legacies	95,044	936,073	1,031,117

* Gifts in kind are represented by:

Rent and office costs	-	10,175	10,175
Advertising and PR	-	5,000	5,000
Total gifts in kind	-	15,175	15,175

Prior period comparative:

	Restricted £	Unrestricted £	2019 Total £
Donations (including Gift Aid)	156,156	94,532	250,688
Legacies	-	891,773	891,773
Gifts in kind*	-	24,367	24,367
Total donations and legacies	156,156	1,010,672	1,166,828

* Gifts in kind are represented by:

Rent and office costs	-	13,567	13,567
Advertising and PR	-	10,800	10,800
Total gifts in kind	-	24,367	24,367

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

4. Expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2020 Total £
Fundraising	23,965	-	-	23,965
Publicity	22,084	-	-	22,084
Research grants (Note 5)	-	149,291	-	149,291
Salary costs (Note 8)	38,343	28,457	27,701	94,501
Contractor cost	26,135	19,398	18,881	64,414
Printing, postage and stationery	-	-	6,431	6,431
Rent	-	-	13,387	13,387
Office costs	-	-	20,147	20,147
Audit and accountancy	-	-	7,530	7,530
Professional fees	-	-	791	791
Investment management fees	8,156	-	-	8,156
Sub-total	118,683	197,146	94,868	410,697
Allocation of support and governance costs	54,075	40,793	(94,868)	-
Total expenditure	172,758	237,939	-	410,697

Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2019 Total £
Fundraising	46,363	-	-	46,363
Publicity	36,419	-	-	36,419
Research grants (Note 5)	-	625,897	-	625,897
Salary costs (Note 8)	27,513	3,600	26,130	57,243
Contractor cost	11,852	14,221	21,334	47,407
Printing, postage and stationery	-	-	2,308	2,308
Office costs	-	-	39,994	39,994
Audit and accountancy	-	-	6,964	6,964
Professional fees	-	-	1,912	1,912
Investment management fees	7,792	-	-	7,792
Sub-total	129,939	643,718	98,642	872,299
Allocation of support and governance costs	68,063	30,579	(98,642)	-
Total expenditure	198,002	674,297	-	872,299

Total governance costs were £4,387 (2019: £7,407).

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

5. Grants payable to institutions

All grants were made for the purpose of carrying out research into the causes and treatment of diseases and disabilities of the eye and blindness and the prevention thereof. The amount payable and committed in the period for this period and future periods comprise the following:

	2020 No.	2020 £	2019 No.	2019 £
Research grants:				
University of Bristol	4	110,228	9	218,373
University College London	2	19,760	3	99,628
University of Greenwich	1	10,000	-	-
University of Cambridge	1	9,798	1	10,000
University of Nottingham	1	6,440	-	-
Glasgow Caledonian University	1	1,390	-	-
Cardiff University	-	-	2	130,758
University of Edinburgh	-	-	1	70,000
University of Leicester	-	-	1	69,748
University of Sheffield	-	-	1	10,000
Newcastle University	-	-	1	9,417
Fight for Sight	-	-	1	7,159
Queen's University Belfast	-	-	1	672
		<hr/>		<hr/>
Total grants committed during the period		157,616		625,755
Grants overspent / (written back) from prior periods		<u>(8,325)</u>		<u>142</u>
Total grant expenditure		<u>149,291</u>		<u>625,897</u>

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

6. Grants commitments

	2020	2019
	£	£
Grants payable to institutions:		
Grant commitments brought forward	1,286,371	1,150,612
Grants committed during the period	157,616	625,755
Grants paid during the period	(614,355)	(490,138)
Less: Overspent / (written back) grants from prior periods	(8,325)	142
	<u>821,307</u>	<u>1,286,371</u>
Grant commitments carried forward		

7. Net movement in funds

This is stated after charging:

	2020	2019
	£	£
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	348	42
Auditors' remuneration:		
▪ Statutory audit (including VAT)	3,720	3,540
▪ Other services (including VAT)	3,750	3,425
	<u>3,750</u>	<u>3,425</u>

Trustees' reimbursed expenses relate to travel and subsistence for four trustees (2019: one).

8. Staff costs and numbers

Staff costs were as follows:

	2020	2019
	£	£
Salaries and wages	86,912	49,714
Pensions	3,882	3,106
Social security costs	3,707	4,423
	<u>94,501</u>	<u>57,243</u>

No employee earned above £60,000 during the year (2019: none).

The key management staff of the charity comprise the Trustees and the Chief Executive Officer. The total employee benefits of key management staff during the period, including employer's social security and pension contributions were £54,887 (2019: £57,923).

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

8. Staff costs and numbers (continued)

	2020	2019
	No.	No.
Average head count	<u><u>3</u></u>	<u><u>1</u></u>

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10. Investments

	2020	2019
	£	£
Listed investments:		
Market value at 1 July 2019	1,758,140	1,676,406
Additions	548,820	627,976
Disposals proceeds	(374,691)	(568,692)
Realised gains / (losses)	(19,550)	(17,834)
Unrealised gains / (losses)	(108,903)	40,284
Market value at 30 June 2020	<u><u>1,803,816</u></u>	<u><u>1,758,140</u></u>
Historical cost at 30 June 2020	<u><u>1,739,129</u></u>	<u><u>1,555,096</u></u>

11. Debtors

	2020	2019
	£	£
Other debtors	32,480	151,817
Prepayments	9,931	8,880
	<u><u>42,411</u></u>	<u><u>160,697</u></u>

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

12. Creditors : amounts due within 1 year

	2020 £	2019 £
Trade creditors	11,856	14,275
Accruals	6,333	16,800
Grant commitments (Note 6)	722,849	987,444
Other creditors	402	-
	<u>741,440</u>	<u>1,018,519</u>

13. Creditors : amounts due after 1 year

	2020 £	2019 £
Grant commitments (Note 6)	<u>98,458</u>	<u>298,927</u>

14. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Investments	-	750,000	1,053,816	1,803,816
Current assets	155,322	-	693,294	848,616
Current liabilities	(60,376)	-	(681,064)	(741,440)
Long term liabilities	(36,859)	-	(61,599)	(98,458)
Net assets at 30 June 2020	<u>58,087</u>	<u>750,000</u>	<u>1,004,447</u>	<u>1,812,534</u>

Prior period comparative

	Restricted funds £	Unrestricted funds £	Total funds £
Investments	-	1,758,140	1,758,140
Current assets	345,782	478,199	823,981
Current liabilities	(264,002)	(754,517)	(1,018,519)
Long term liabilities	(83,767)	(215,160)	(298,927)
Net assets at 30 June 2019	<u>(1,987)</u>	<u>1,266,662</u>	<u>1,264,675</u>

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

15. Movements in funds

	At 1 July 2019 £	Income £	Expenditure £	Gains / losses £	Transfers between funds £	At 30 June 2020 £
Restricted funds						
Diabetic Retinopathy Young/Cardiff – AMD and Diabetic Retinopathy	11,632	20,000	-	-	-	31,632
Eye Cancer	(19,604)	-	-	-	-	(19,604)
Glaucoma	4,539	130	-	-	-	4,669
Inherited Retinal Dystrophies	448	17,044	-	-	-	17,492
Melt Electrowriting (MEW) Kit	598	25	-	-	-	623
Gottlob/Leicester – Retinopathy of Prematurity	-	11,500	-	-	-	11,500
Nicholson/Bristol – Uveitis	-	6,000	-	-	(6,000)	-
Seed Funding Appeal	-	28,970	-	-	(28,970)	-
Yorkshire Research Fund	-	11,375	-	-	-	11,375
	400	-	-	-	-	400
Total restricted funds	(1,987)	95,044	-	-	(34,970)	58,087
Unrestricted funds						
<i>Designated funds:</i>						
Strategic research fund	-	-	-	-	750,000	750,000
<i>Total designated funds</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>750,000</i>	<i>750,000</i>
General funds	1,266,662	991,965	(410,697)	(128,453)	(715,030)	1,004,447
Total unrestricted funds	1,266,662	991,965	(410,697)	(128,453)	34,970	1,754,447
Total funds	1,264,675	1,087,009	(410,697)	(128,453)	-	1,812,534

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

15. Movements in funds (continued)

Purposes of restricted funds

Diabetic Retinopathy

Donations given specifically to fund research into Diabetic Retinopathy.

Young/Cardiff – AMD and Diabetic Retinopathy

Funds raised to fund a three-year PhD studentship carrying out research in Diabetic Retinopathy and Age-related Macular Degeneration at the University of Cardiff, under the supervision of Dr Mark Young. The fund appears in deficit at year end, however, the charity has secured the commitment of full funding for this project over its three years.

Eye Cancer

Donations given specifically to fund research into Eye Cancer.

Glaucoma

Donations given specifically to fund research into Glaucoma.

Inherited Retinal Dystrophies

Donations given specifically to fund research into Inherited Retinal Dystrophies, of which retinitis pigmentosa is the most common.

Melt Electrowriting (MEW) Kit

Funds raised to fund the purchase of a Melt ElectroWriting Kit at the University of Liverpool. This is a bespoke piece of equipment utilising a new technology, to manufacture micron-sized 3D scaffolds, which can be used in tissue engineering to facilitate the growth of cells designed to mimic the structure of different types of tissues. These precisely engineered scaffolds could also be used as medical devices to treat many diseased or injured tissues of the eye.

Gottlob/Leicester – Retinopathy of Prematurity

Funds raised to fund a project assessing the risk prediction of Retinopathy of Prematurity (ROP) and visual and neurodevelopmental outcome by using handheld Optical Coherence Tomography (OCT-ROP study). Project led by Professor Irene Gottlob at the University of Leicester.

Nicholson/Bristol – Uveitis

Funds raised to fund a one-year postdoctoral research project investigating potential new treatments for non-infectious inflammatory eye disease. Project led by Dr Lindsay Nicholson at the University of Bristol.

Seed Funding Appeal

Funds raised to support proof of concept projects investigating the causes of eye diseases or potential therapeutic targets. Projects funded up to £10,000 each.

Yorkshire Research Fund

This fund relates to donations for projects being carried out in the Yorkshire region.

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

15. Movements in funds (continued)

Purposes of designated funds

Strategic research fund

The charity holds a designated strategic fund of reserves that the charity plans to utilise over the next two financial years. The fund will enable the charity to make new research funding commitments that were put on hold in 2019-20 due to COVID-19 related uncertainties. The strategic fund will also enable the charity to meet any appropriate COVID-19 related costed extension requests it might receive over the next 18-24 months, as well as strategic funding of potential additional research projects. The strategic fund may also be used to support the charity's development of its fundraising capacity over the next two financial years, a time when the fundraising environment is expected to be especially challenging.

Transfers between funds

Transfers from restricted funds to unrestricted funds represent income received during the year which carries donor imposed conditions to be expended upon specific projects. The cost of these projects has been recognised through the Statement of Financial Activities in a prior period when the grant commitment was originally made and therefore when the income is received it is transferred to unrestricted funds to follow the treatment of the expenditure when it was recognised.

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

15. Movements in funds (continued)

Prior period comparative

	At 1 July 2018 £	Income £	Expenditure £	Gains / losses £	Transfers between funds £	At 30 June 2019 £
Restricted funds						
Age-related Macular Degeneration	-	679	(679)	-	-	-
Children and Young People	-	10,010	(10,010)	-	-	-
Diabetic Retinopathy Young/Cardiff – AMD and Diabetic Retinopathy	3,298	8,334	-	-	-	11,632
Dr McNeil - Sheffield University	-	99,261	(118,865)	-	-	(19,604)
Eye Cancer	4,370	5,000	(5,000)	-	-	-
Glaucoma	-	169	-	-	-	4,539
Inherited Retinal	-	10,448	(10,000)	-	-	448
PhD Studentship	2,723	598	-	-	-	598
Translational Eye Research	23,905	108	(2,831)	-	-	-
Uveitis	(13,996)	7,764	(31,072)	-	(597)	-
Yorkshire Research Fund	-	13,385	-	-	611	-
	-	400	-	-	-	400
Total restricted funds	<u>20,300</u>	<u>156,156</u>	<u>(178,457)</u>	<u>-</u>	<u>14</u>	<u>(1,987)</u>
Unrestricted funds						
General funds	<u>861,893</u>	<u>1,076,175</u>	<u>(693,842)</u>	<u>22,450</u>	<u>(14)</u>	<u>1,266,662</u>
Total unrestricted funds	<u>861,893</u>	<u>1,076,175</u>	<u>(693,842)</u>	<u>22,450</u>	<u>(14)</u>	<u>1,266,662</u>
Total funds	<u>882,193</u>	<u>1,232,331</u>	<u>(872,299)</u>	<u>22,450</u>	<u>-</u>	<u>1,264,675</u>

16. Financial instruments

	2020 £	2019 £
Financial assets measured at fair value	<u>1,803,816</u>	<u>1,758,140</u>

Financial assets measured at fair value comprise listed investments.

National Eye Research Centre

Notes to the financial statements

For the year ended 30 June 2020

17. Contingent assets

There are some legacies which have been notified to the charity at 30 June 2020 for which the amount receivable cannot be ascertained. These financial statements include payments received on account but not any estimates for future amounts receivable. Indications are that the estimated value of these potential legacies is in the region of £185k.

18. Related party transactions

Robert Drewett, trustee, is a member of Womble Bond Dickinson LLP. During the year, Womble Bond Dickinson LLP received payments of £nil (2019: £5,031) for the provision of legal services. No amounts were outstanding at the period end.

Cathy Williams, trustee, is an employee of the University of Bristol. During the year, NERC committed to grant payments of £110,228 to researchers at the University of Bristol but Cathy was not involved in the decision process to award these grants. £326,421 of grant commitments were outstanding at year end.