



**St John of Jerusalem
Eye Hospital Group**



Trustees' Annual Report 2015

**Saving
Sight**

**Changing
Lives**



Heraldically the Arms of SJEHG are blazoned as follows: Gules a Cross Argent in the first quarter the Royal Crest proper on the Cross the outline of a pointed Ellipse fesswise Sable enclosing a Pellet conjoined to a Descrescent and an Increscent Vert throughout and charged with a Maltese Cross Argent.

As an entity of the Most Venerable Order of St John of Jerusalem Eye Hospital Group's coat of arms possesses the Order's characteristic white cross set on a red background with the Royal Crest in the top left corner. The symbol in the middle of the arms indicates the constituent entity of The Order of St John.

St John of Jerusalem Eye Hospital Group's coat of arms is an emblem which is indicative of the organisation's commitment to its sight saving and life changing work. The arms are hued with the colours of the Palestinian flag, black, white, green and red, and instilled with an eye at the centre with the Amalfi Cross as its pupil. The eight points of the Amalfi Cross represent the Beatitudes from the Sermon on the Mount, and the four arms signify the Cardinal Virtues of Prudence, Justice, Temperance, and Fortitude.

The iris of the eye has been created using two crescent moons, a Muslim symbol which highlights the denomination of the majority of the organisation's patients. The iris is a brilliant green, an allusion to the region being a fertile land.

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Aims of the Charity

Saving Sight Changing Lives

St John of Jerusalem Eye Hospital Group is the only charitable provider of expert eye care in East Jerusalem, Gaza and the West Bank. We have been treating patients in the region regardless of their ethnicity, religion or ability to pay for over 130 years.

Our sight saving work is carried out against challenging and difficult odds to the highest international standards.

Our Impact changes lives

We enhance education and employment prospects, and contribute to economic growth in the region, through the service provided by our hospitals and mobile outreach programme.

Glossary: **CBM** - Christian Blind Mission. **JCI** - Joint Commission International. **NGO** - Non-governmental organization. **NIS** - New Israeli Shekel. **oPt** - occupied Palestinian territories. **PA** - Palestinian Authority. **SJEHG** - St John of Jerusalem Eye Hospital Group; this refers to all of our entities according to the context. **UNDP** - United Nations Development Department. **UNRWA** - United Nations Relief and Works Agency, the UN branch responsible for Palestinian refugees. **USAID** - United States Agency for International Development.

Chairman and Chief Executive Introduction



Our Chief Executive Tom Ogilvie-Graham, our Patron Lord Vestey and Chairman Nicholas Woolf conversing in the gardens of our Jerusalem Hospital

Our overarching aim is to deliver the highest standards of patient care, with the most efficient approach possible. We measure our successes by comparing our standards to our counterparts worldwide, notwithstanding the challenging region within which we work. The scale of the political problems in the area did not diminish in 2015, but we have continued to improve our capacity and standards throughout our services.

Our Gaza Hospital remains the only significant NGO building constructed since the 2014 conflict. This is quite an achievement in an area where 170,000 buildings sustained various degrees of damage during the recent tensions. The hospital will see

its official opening in 2016, after suffering setbacks owing to the blockades and other pressures in the area.

Capital projects have been a primary focus of 2015. As well as our achievements in Gaza, our new hospital in Hebron was opened to patients in November. Because work on other parts of the building is still to be completed, we have not yet begun actively to publicise the new facility, but already we are seeing encouraging patient numbers. We also began restoration of the Muristan, the Order of St John's site in the Old City of Jerusalem. Once restored, this building will provide a primary and emergency eye care clinic for the Old City for over 5,000 patients annually. The property will include a

beautiful garden, as well as a rooftop viewing platform with unrivalled views of the Old City and further afield.

Funding for the first significant research undertaken by the Hospital for over 20 years was secured during the year, from the European Union's Partnership for Peace Programme. The first genetic research unit in the oPt will be implemented in our Jerusalem Hospital, with support from the Israeli Hadassah Medical Center. The aim of this unit is to tackle hereditary eye diseases within the most underprivileged Palestinian communities, as well as being a partnership that encourages constructive relationships between Palestinians and Israelis through healthcare.

Our Mobile Outreach Programme saw 16,700 patients during the year compared with 10,500 in 2014, a noteworthy increase. The programme is now flourishing with the addition of a second unit thanks to funding from USAID, UNDP, Dr Michael Dan, CBM and Jersey Overseas Aid Commission.

A new documentary on the work of SJEHG has won three prestigious film awards.

The outstanding 25 minute documentary "Eyes of St John", was directed by filmmaker Carlo Nero and produced by his mother, the actress Vanessa Redgrave. We were delighted that the documentary had its London private preview screening in the presence of Her Majesty Queen Noor of Jordan. It will continue to be used to promote the work of SJEHG amongst our supporters worldwide.

The charity's income in 2015 reached £8.5m; thanks to the ongoing support of our donors £4.6 million of this came from charitable sources. Unfortunately, we have felt some of the effects of the crisis in Syria with a reduction in gifts from major donors and patient related income. UNRWA, which provides us

The new Gaza Hospital, due to open in June 2016



with 7% of our patient income, has had to divert much of its resources to dealing with refugees fleeing the crisis, some of whom are Palestinian. This has understandably resulted in a reduction in the amount it can contribute to us.

As always we would like to thank our friends in the St John Pories and Associations, who donated over £2.2m during the year. We would especially like to thank the US Priory for increasing their donations to \$2 million this year; their

steadfast passion for our cause is unwavering and truly appreciated. We are so grateful to everyone who has given so generously, in spite of other pressing world issues.

We aspire to demonstrate the impact of your donations by working to build upon our successes in 2015 and by continually striving to deliver only the highest standards of patient care to those we are committed to serve.

Nicholas Woolf KStJ
Chairman

Brigadier Tom Ogilvie-Graham MBE CStJ
Chief Executive

10 May 2016

About SJEHG

Our **Jerusalem Eye Hospital** has been operating for over 130 years. It has a large, modern outpatients department, specialist retinal, corneal, orthoptic and paediatric units, operating theatres and 24 hour emergency services. We are the first Palestinian hospital to receive JCI accreditation.

The **West Bank** is subject to a system of movement restrictions, including the Separation Wall, permit system, settler-only roads, and the many checkpoints. We have had to expand our services to be accessible to as many residents of the West Bank as possible, especially as 20% of patients (and their companions) from the West Bank are denied permits to enter Jerusalem.

Our **Anabta Clinic** is accessible to the 1 million residents in Anabta and surrounding towns. Those living in the area are amongst the poorest in the oPt and many are refugees from Gaza. There is a particularly high prevalence of diabetic retinopathy in this area of the West Bank.

Our **Hebron Hospital** is a vital source of eye care for an area which is particularly affected by the movement restrictions in the West Bank. The hospital provides sight-saving treatments such as cataract and laser eye surgery to treat diabetic retinopathy, and serves the 640,000 people who live in and around Hebron,

including the semi-nomadic Bedouins of the Negev Desert.

Our **Gaza Hospital** was established in 1992 to meet the growing need for eye care in a population that has been facing increasing difficulties in accessing the main hospital in Jerusalem.

Over 1.8 million Palestinians live in isolation in Gaza, one of the most heavily populated areas in the world, of which 1.3 million are refugees. In December 2015, one third of patients from Gaza were denied access to the West Bank to receive medical care. This serves as a reminder of the need for SJEHG's services in the area.

Our hospital remains the leading provider of ophthalmic services, working in near-emergency conditions, yet to the same high standards as our main hospital. Despite these difficulties, our doctors manage to treat more Gazan patients every year, rarely closing apart from during periods of conflict.

Our **Mobile Outreach Programme** delivers essential eye care to some of the most remote and impoverished communities in the West Bank, and serves a population of 2.5 million people. The teams coordinate permits needed for patients with complex eye issues to be referred to one of our centres. In 2015 we reinstated our second Mobile Outreach unit, leading to a significant increase in patient numbers.

Our three-year **Diabetic Retinopathy Screening Programme** finished in 2015. We surpassed our targets and will continue the programme. We will also be taking a similar programme to refugee camps in Jordan during 2016.

Our **Sir Stephen Miller School of Nursing** is the only provider of specialist ophthalmic nursing training in the oPt. Upon completion, graduates are awarded a Postgraduate Diploma in Ophthalmic Nursing, accredited by the University of West London. Many nurses who undertake the course are given future employment with us. The remaining nurses work in other medical centres across the oPt, where they become the facilities' expert in the area, and often provide referrals to our clinics and hospitals.

Our 4-year **Medical Residency Programme** at the Jerusalem Hospital trains local doctors, investing in the oPt's healthcare infrastructure. Once qualified, our doctors can specialise in a particular area of ophthalmology under our **Fellowship Programme**. Our joint teaching programme in partnership with the Israeli Hadassah Medical Center, is where many of our doctors undertake their training. This partnership allows our doctors to access training that is not available to them in the oPt; as well as encouraging constructive relationships between Israelis and Palestinians.

Snapshot of 2015

In 2015 we treated **128,000** patients including performing over **5,000** major surgeries.

Anabta Clinic

We treated 22,000 outpatients at our Anabta Clinic.

17 staff members, including **11** medical staff.

Gaza Hospital

Over 31,000 Gazans received eye care, including over 900 major operations.

Our new hospital is almost complete, and will open in the middle of 2016.

17 staff members, including **14** medical staff.

Diabetic Retinopathy Screening Programme

Our three-year programme came to an end 2015. Our target was to screen 40,000 patients which we surpassed, reaching over 44,000 patients in total.

The programme will continue in 2016 as well as expanding to treat refugees at camps in neighbouring Jordan.

Jerusalem Hospital

We treated over 46,500 people in our hospital in Jerusalem including performing 3,800 major operations.

170 staff members, including **98** medical staff.

Hebron Hospital

Our hospital treated 11,400 people including performing 340 major operations.

Our new hospital, with better capacity and in a more central location, was opened to the public in November 2015.

14 staff members, including **9** medical staff.

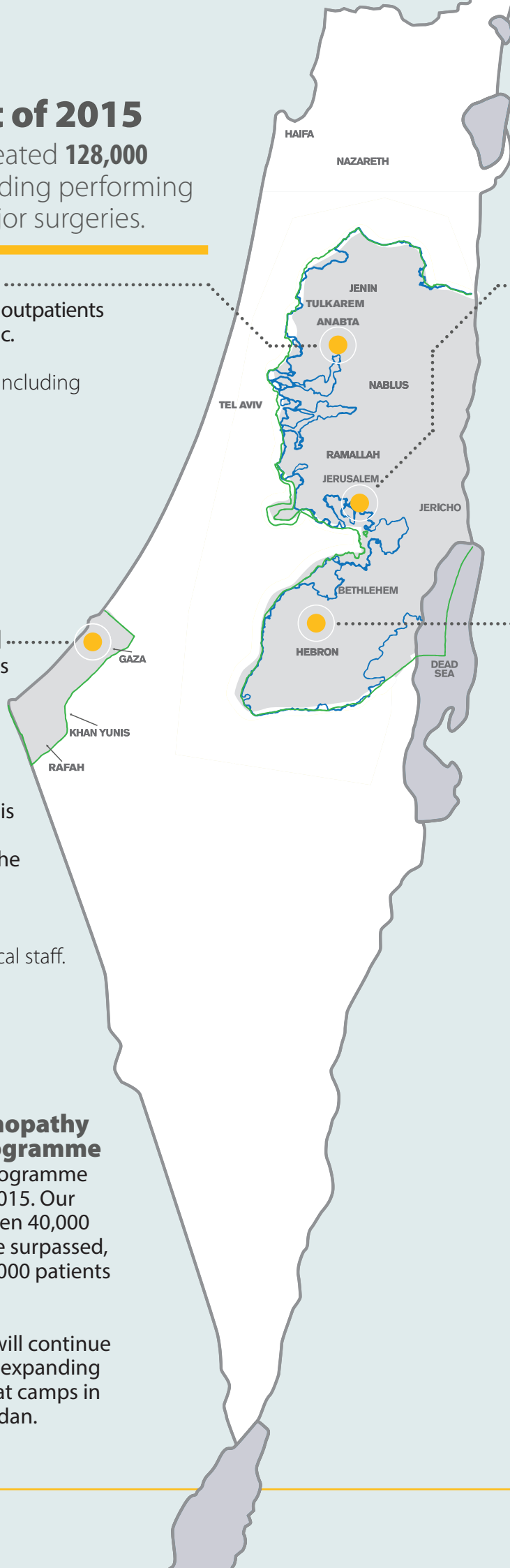
Mobile Outreach Programme

Our second unit was reinstated, leading to a significant increase in patient numbers - from 10,500 patients in 2014 to over 16,700 patients in 2015.

11 staff members, including **8** medical staff.

THE SEPARATION WALL
THE GREEN LINE (1967 BOUNDARY)

Staff numbers as at 31 December 2015



Highlights of 2015



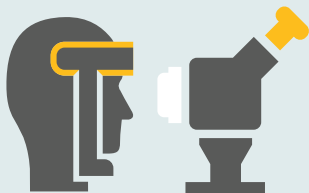
Patients

- 128,000 patients treated, including over 5,000 sight-saving operations performed



Community Outreach

- Over 16,700 patients treated by our **Mobile Outreach Programme**
- over 44,000 patients screened by the completion of our three-year **Diabetic Retinopathy Programme**



Professional Development

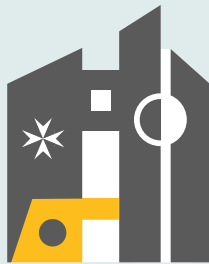
- 236 staff, including 33 doctors and 84 nurses
- 5 doctors undertook our **Medical Residency Programme**
- 6 nurses started and 5 nurses graduated from our postgraduate training programme at our **Sir Stephen Miller School of Nursing**
- One doctor began a Fellowship in Ophthalmic Genetics and Retinal Diseases in partnership with **Hadassah Medical Center**



Modernisation

Jerusalem Hospital, which is now over 50 years old, began a process of modernisation and restoration:

- Created a new outpatient reception area and new hospital cafeteria
- Refurbished the staff dining area and seamstress department
- Introduced new signage, patient information boards, TVs for educational messaging and wifi within the hospital
- Patient Pathways implemented throughout the hospital, including colour coded directional lines to help those who are visually impaired
- **Hospital Management Information System:**
- Laid the foundations of our new electronic patient record system



Infrastructure

- The new **Hebron Hospital** opened in a more central location for our patients in November and we are already beginning to see encouraging patient numbers
- **Gaza Hospital** building is almost complete, in spite of major setbacks due to tensions in the area
- **Muristan** restoration began at the Order's property in the Old City of Jerusalem. Once restored this clinic will see 5,000 patients every year



Partnerships

- **'Peace in Sight Project':** Secured an EU grant to establish our research project in partnership with the Hadassah Medical Center
- Caritas Baby Hospital and the Holy Family Hospital (run by the Sovereign Military Order of Malta): continued our programme to screen premature babies
- Friends of St John Society: reinstated in Jerusalem to engage with local businessmen, heads of diplomatic missions, politicians and other friends
- International Doctors' visits: including ophthalmic surgeons in cooperation with the Dallas Surgeons Fund



Media

- Created our documentary, **Eyes of St John** in collaboration with Carlo Nero and Vanessa Redgrave, which has won three prestigious awards at film festivals

Plans for 2016



JCI

- JCI accreditation is considered the gold standard in health care and its consultants are the most experienced in the industry.
- The three year review will take place in April. Reaccreditation is anticipated notwithstanding higher benchmarks



Community Healthcare

- Establishing a new **Diabetic Retinopathy Screening Programme** in northern Jordan with UNRWA, mainly helping refugees from Syria in the area. It is the first time our services will be projected into a neighbouring country



Infrastructure

- Official opening of the **Hebron Hospital**
- Completing the new **Gaza Hospital**
- Completing the new **Muristan Clinic**
- Modernisation will continue in our **Jerusalem Hospital** with the replacement of outdated pipe work; the paediatric and retinal clinical areas will be separated to create better patient flow



Information

- A roll-out of the new Hospital Management Information System to digitise our patient records



Research

- A fully equipped genetics research laboratory will be installed in the Jerusalem Hospital
- Our doctor's fellowship in hereditary eye conditions will continue, allowing SJEHG to begin researching the condition in the oPt
- Research articles are planned to be published in recognised journals for the first time in 20 years



Training

- One doctor will begin training for a Fellowship in Glaucoma at the Avarind Eye Hospital in India, enabling our Gaza Hospital to begin providing treatment for the most complicated glaucoma cases
- Five doctors will continue their training on our **Medical Residency Programme**
- Six nurses will continue their postgraduate training at the **Sir Stephen Miller School of Nursing**



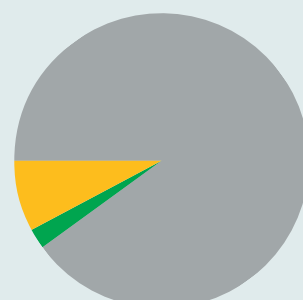
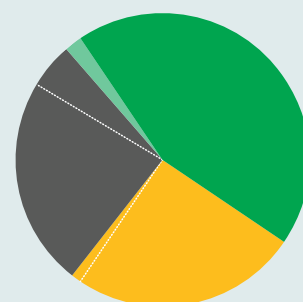
Media

- Releasing **Eyes of St John** on an international stage
- Launching of our new interactive website & online shop

Statement of Financial Activities

Incoming Resources: £8.5m		£,000	%	
Patient Related Income		3,776	44	●
Priory Income for Capital Costs	115	1		●
Operational Costs	2,131	25		●
Other Voluntary Income for Capital Costs	449	5		●
Operational Costs	1,905	23		●
Investment Income	147	2		●

Resources Expended: £8.2m		£,000	%	
Charitable Activities	(7,407)	90		●
Cost of Generating Funds	(622)	8		●
Governance	(170)	2		●



Legacy Ambassador: Denise Magauran

Denise Magauran is a former employee of SJEHG, dedicated supporter, Guild Member and legacy pledger.

I first became aware of the marvellous work of SJEHG in the 1970s when working as a senior registrar at St Paul's Eye Hospital in Liverpool. I went out to Jerusalem in 1973 and worked there for a year as Assistant Surgeon. On my return, I missed the city. When the opportunity to return arose in 1991, I came back to become Chief Surgeon, and stayed for eight years.

It was during my time there as Chief Surgeon that the Medical Residency Programme was established, which was very enjoyable work. The staff were fantastic and the ophthalmology was very interesting. Jerusalem is a very fascinating place to live and I made many friends there. One of these was Father Jerome Murphy O'Connor, renowned Dominican at the Ecole Blique, who led a walking group around the Holy Land on Sundays. Our group were all good friends and we learnt an amazing amount about archaeology, theology and the terrain of the country.

Upon return to the UK, I wanted to continue to help SJEHG. I was asked to join the Guild soon afterwards and was also appointed to the Hospital Board, a role I held for three years. I was also appointed as a Consultant at the St Helier/Epsom Hospitals where I



worked for nine years. I have now retired to Painswick in Gloucestershire.

I have been out to the Jerusalem Hospital once or twice every year since. Originally this was to help the other doctors in the theatre, clinics, and on outreach. However, as the doctors are now very well trained, my trips now are more focussed on seeing my old colleagues. I particularly enjoy the Investitures where I give my award [The Denise Magauran Cup] to the doctor who has contributed the most to the medical department that year.

The work that SJEHG does is something I believe so strongly in, and I was looking for more ways to help. Leaving a legacy seemed right. It was time to update my Will, so I decided to leave a gift to my favourite charity.

Some people underestimate the value of the assets they will leave behind, but leaving a gift of even a few percent of their estate could give considerable help to their chosen charity.

It is good to know that any money left behind will be used effectively, and in a way that means my support for the work will continue long after I have died.

My legacy will be left as an endowment fund for further specialised training for our doctors and nurses, as this is what I was involved with in my lifetime.

I will never forget my time working for SJEHG, conducting outreach in the West Bank and Gaza, doing research in the West Bank and living in Jerusalem. It is one of the most important and rewarding times of my life.



Case Study: Omar

Omar*, 13, from the Gaza Strip, has already led an exceptional life in spite of his young age.

Omar is the eldest child of a university professor and social care worker in the Gaza Strip. His parents tried to have children for a very long time until eventually receiving their happy miracle, and as such he is extremely precious to them. He grew up to be a very smart child, achieving mainly 90% or higher in all his school exams.

In late 2013, at the age of 10, Omar's vision began to deteriorate. His mother recalled holding fingers out in front his face for him to count and him being unable to see anything. Consequently his grades began to plummet. His parents took him to the local government hospital in Gaza, who referred him on to a specialist clinic in Ramallah (in the West Bank). This is quite a difficult trip for any Gazan to make. It is not only expensive but there is also an arduous permit procedure to get through. In December 2015 the permit approval for medical cases dropped to its lowest in seven years, at only 67.5% (World Health Organisation) - this is why our Gaza Hospital remains such a vital part of our services.

Thankfully, in this family's case, they managed to arrange permits. Tests were undertaken, and the most devastating diagnosis was given to the family. Omar had a mass behind his right eye. It was diagnosed

as an intraocular tumour - in layman's terms, a lump behind the eye, that might or might not be cancerous. Further checks would be necessary to see whether the tumour was malignant and his eye would potentially need to be removed. His mother described her utter

devastation at receiving the news; after being given the miracle of her son, it felt as if he were being taken away.

However, thanks to the keen eye of one local Gazan doctor, and our St John team, Omar's story did not end in tragedy.



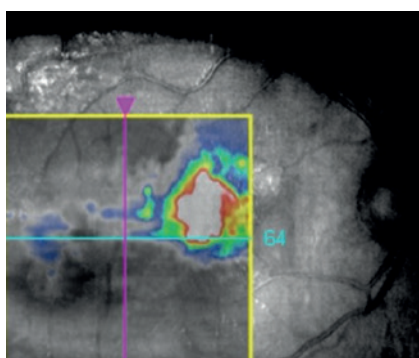
As Ramallah is hard to reach for local Gazans, his case was moved to the UNRWA hospital in Gaza. It was there his case was handed to a local doctor who noted there was something not quite right about Omar's diagnosis. He opted to get a second opinion from our own retinal expert, who has a reputation for being one of the best retinal eye doctors in the area.

Omar first saw our doctor three agonising months after his original diagnosis, and this is where his story changes for the better.

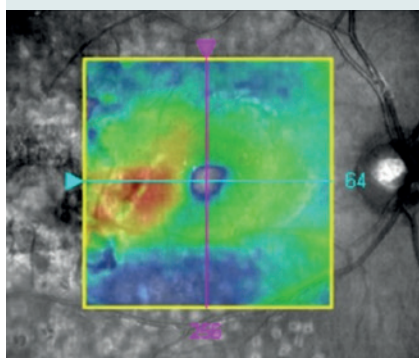
After further testing Omar was rediagnosed not with an intraocular tumour, but with a congenital ruptured retinal macroaneurysm - a different condition entirely. This is essentially a vein behind the eye that is weak from birth. If it is over expended the vein will burst, causing vision loss and permanent blindness, if it is not caught in time. The mass which was originally diagnosed as a tumour was in fact a accumulation of blood from a burst vein. The family was given the good news and his mother described the moment they told his father who began 'dancing around the kitchen' with joy. The relief was incredible.

However the treatment Omar would have to undergo was still difficult, let alone for a child of his age. Our doctor took great care to stress the fact that, in his words, Omar was a 'hero', for undergoing the treatment

at such a young age. All in all over six months he received five laser eye treatments and six injections into his eye. All but one of these was performed under topical anaesthesia. That means that Omar was fully conscious, with only eye drops to numb the eye.



Above: The large grey mass was originally identified as a 'tumour'



Below: Omar's condition at the end of 2015, his eyesight is almost back to normal

He is one of the only children treated at SJEHG who has been brave and patient enough for this method to even be an option. Most children are much too fidgety or scared to even consider local anaesthesia. It is however the safer option overall, as there are always risks involved when using general anaesthesia.

Omar is now a happy and healthy 13 year old. His eye sight is so good he does not even need to wear glasses. He absolutely love maths, his favourite subject at school, and plans to train as a doctor. His grades are back up in the top percentile. The family are extremely thankful for the expert care that SJEHG had to offer. In his mother's words:

"Thank you for everything. Omar's doctor adopted the boy and treated him as his own son, he was the first person to give us a thread of hope, and wanted only the best for us all. He brought us alive again. Thank you to St John, thanks to you all!"

Last year in Gaza we saw 9,500 children and performed 195 major surgeries. This sight-saving work is necessary as it is increasingly difficult for the typical Gazan to seek health care outside of the Gaza Strip.

With the opening of our new Gaza Hospital we expect the number of patients we treat to grow as the new hospital is much larger. **Donating to SJEHG will help children just like Omar gain access to vital eye care, allowing them the futures they deserve. If you would like to make a donation, please get in touch. Our contact details are on the back page.**

*Name has been changed to protect child's identity.

Our People

In 2015 SJEHG employed* **236** people in total, of whom **143** were

SJEHG Board and staff in the garden of the Jerusalem Hospital, September 2015



We go to great lengths to train our local staff. In doing so, we are contributing positively to the fractured Palestinian infrastructure.

The Medical Residency Programme invests in Palestinian doctors and enhances their ability to provide essential sight-saving skills for the Palestinian population. There is nowhere other than our Jerusalem Hospital that offers comprehensive training for Palestinian ophthalmologists in the oPt.

Over the past 10 years, in line with our vision of providing a sustainable service of excellence to the people we serve, Palestinian ophthalmologists have continually received specialist training. SJEHG now has Palestinian specialists in every field of ophthalmology, except complex oncology (a service which is readily available in Jerusalem, should it be required). In the past these services would have been

provided by visiting expatriate specialists. These visits were often staggered or ad hoc which could lead to long delays in patients receiving urgent care - especially in times of conflict. Our specialists can now treat eye problems across the board, meaning our patients can be treated to an expert level as soon as possible.

Our highly-regarded Sir Stephen Miller School of Nursing offers up to ten places on the Specialist Ophthalmic Nursing Course every year and is accredited by the University of West London. Many local nurses who undertake the course become SJEHG employees.

SJEHG also enjoys an outstanding relationship with Israeli Haddasah Medical Center which has provided world leading fellowship training to our doctors. As an offshoot of this partnership we have also begun a research project the results of which will hopefully be included in internationally

accredited journals, putting SJEHG research on the international map.

*Employee numbers above are the average for the year.

Case Study: Alice

Ophthalmic Nurse: Mobile Outreach Programme

Alice Aslamian is one of our 2015 ophthalmic nurse graduates from our Sir Stephen Miller School of Nursing. In January 2016 she began a full time position with SJEHG in our Mobile Outreach Team.

In her new position Alice will be working throughout the West Bank treating patients in the most remote villages, many of whom would otherwise not be able to access healthcare.

medical staff, including **33** doctors and **84** nurses



This is an extremely exciting prospect for Alice, as in her opinion it is one of the most interesting roles on offer at the hospital. It allows her to get to know parts of the country to which she would not otherwise travel, as well as to see a diverse range of cases which typically only ever arise in our Mobile Outreach Programme.

Alice chose to train in ophthalmic nursing after graduating with a bachelor's degree in general nursing



from Bethlehem University in 2014. She chose the nursing school at SJEHG for its great reputation, and as it is one of the few providers of specialist ophthalmic nursing training, in the region in which we operate. Comparing it to her previous experience in other hospitals she had this to say:

"The best thing about St John is the teamwork in the hospital. Other hospitals do not treat their colleagues in the same way - here it's like one big family!"

Speaking about Alice, our Director of Nursing, Ahmad Ma'ali, (who has worked his way up from a graduate of our nursing school in 1990) had this to say:

"Since she enrolled on the Specialist Ophthalmic Nursing Course, Alice was an

excellent student and a role model for all her colleagues. Alice is a very capable, enthusiastic and dedicated nurse who, in a short time, has become an effective member of the SJEHG."

Alice displays exemplary dedication in her work and we are sure that she will continue to grow and develop her skills throughout her time here at SJEHG. Alice has strong ambitions for her future: further into her career she is hoping to achieve a Masters in infection control and public health, which she feels is a priority. Welcome to the family Alice.

SJEHG has many new nurses like Alice throughout our organisation who do not yet have sponsorship. If you would like to sponsor one of our nurses or student nurses, please get in touch.

Public Benefit

The Trustees have given due regard to the Charity Commission's General Guidance on public benefit when planning the charity activities.

Our Trustees' Annual Report sets out our activities, achievements and performance during the year, which are directly related to the objects and purposes for which SJEHG exists. SJEHG achieves its principal objectives through the delivery of services to members of the public in Jerusalem, the West Bank and Gaza without regard for any distinction by race, class or religion.

The Public Benefits from SJEHG's activities are:

- a.** the provision and development of clinical and surgical ophthalmic services to patients at the hospitals in Jerusalem, Gaza and Hebron and the Anabta Clinic as well as the Mobile Outreach Programme;
- b.** the exemption from patient charges when the relevant authority does not finance the treatment and the patient is unable to pay themselves;
- c.** the teaching and training activities at the SJEHG which enhance the quality of service delivered and increase the pool of qualified ophthalmologists and specialist nurses within the region;
- d.** the research activities into endemic diseases affecting the Palestinian population;
- e.** our services enhance education and employment prospects and contribute to economic growth.



The Strategic Report

Five Year Strategic Plan 2013 - 2017

All plans for future projects and development are made in accordance with our Strategic Plan:

1. Patients: **Achieve the highest standards of quality and patient safety**

SJEHG will build on its JCI accreditation continually to strengthen standards and protocols on quality care and patient safety. As a leading training facility for ophthalmologists and ophthalmic nurses and provider of care, clinical quality and safety with a continued emphasis on a positive patient experience will continue to be at the core of SJEHG's basic principles and mission.

2. Capacity: **Expand clinical services and capacity**

SJEHG has built its in-house capacity to offer both basic and highly sophisticated eye care services by qualified specialists using the latest technology. It will continually strengthen its capacity to care for common and unusual eye diseases in a planned, systematic process.

3. Research: **Develop a Research Unit**

SJEHG's patient population lends itself to research in the areas of epidemiology, treatment methodologies,

and genetics. SJEHG will look to build its statistical research capacity to better understand disease patterns whilst publishing results of findings. This will result in improved outcomes for patients.

4. Partnership: **To increase partnership opportunities**

As a tertiary eye hospital providing comprehensive sub-specialty eye care, teaching and training at all levels, and the opportunity for research, SJEHG will continue to seek partnership opportunities in the Middle East and globally.

5. Reputation: **Enhance the global reputation**

SJEHG is well known in the region as a centre providing high quality, comprehensive eye care services and training. We will continue to build that reputation globally through supporter focused communications, thus increasing visibility, donor support and, over time, SJEHG's brand in geographic areas of priority.

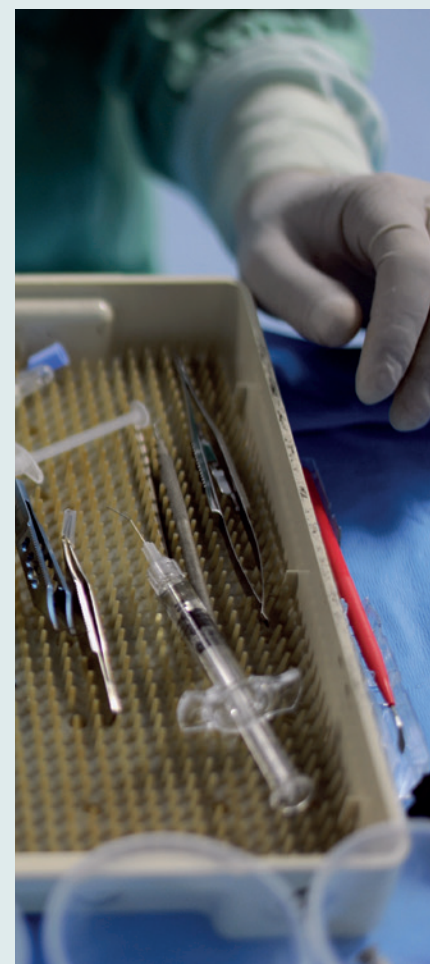
6. Gaza: **Commitment to Gaza**

SJEHG has served the people of Gaza for decades with a small hospital in Gaza City. The new, modern eye hospital, when completed, will offer comprehensive, sub-specialist

care and training within a very challenging environment. SJEHG's board and staff recognise these unique challenges and are committed to providing the best quality eye care and services for residents.

7. Finance: **Ensure sustainability**

SJEHG is a charity reliant for 60% of its income on voluntary sources. Strong governance, leadership, and a solid fundraising strategy help to strengthen SJEHG's financial position and ensure financial resilience to sustain the future.



The Strategic Report

Financial Review 2015

Achievements and Performance in 2015

For the year ended 31 December 2015, incoming resources amounted to £8.5m, (2014, £9.3m) while resources expended amounted to £8.2m (2014, £7.7m). This resulted in a surplus of £0.3m (2014, £1.6m) before taking into account realised and unrealised gains on investments of £6,000 and exchange gains of £179,000. Overall fund balances accordingly increased by £507,000 in the year.

The decrease in incoming resources is in part due to the fact that major capital projects in the Jerusalem hospital and the other centres, especially the Gaza Hospital and the new location for our Hebron Hospital, began in 2014. This resulted in capital income in 2014 being significantly more than in 2015. A deficit of £243,000 arose on annual operating activities.

Expenditure on charitable activities amounted to £7.4m, representing 90% of total resources expended. These costs include running the hospitals in Jerusalem, Hebron and Gaza, the Anabta Clinic, two Mobile Outreach Units and the cost of teaching and training during the year for doctors and nurses. The principal component of this total is personnel costs: 63% (2014, 63%). Operating costs

were contained through the continuation of enhanced cost controls introduced in earlier years.

Costs of generating funds constituted 8% (2014, 6%) of total resources expended. These represent the costs of the London-based fundraising team and the Jerusalem-based fundraising and projects team. Governance costs amounted to 2% (2014: 2%) of the total resources expended and reflect the international nature of the charity's activities.

Total voluntary income decreased to £4.6m (2014, £5.3m) representing 54% (2014, 58%) of the incoming resources. Donations included £0.6m (2014, £1.2m) restricted for capital projects and medical equipment, in addition to £2.2m (2014, £1.8m) donated by the Priors of the Order of St John.

Overall, the value of capital projects completed during the year amounted to £1.4m. Funds generated from charitable activities (patient income) amounted to £3.8m and constituted 44% (2014, 41%) of total incoming resources. The remaining 2% of incoming resources related to income from investments.

The PA continues to pay for services rendered several months in arrears, reflecting its own cash flow issues. Funding this level of debt impacts on SJEHG cash flows, which was the case in 2015, helped when the European Commission and

USAID paid a substantial part of the PA outstanding debt. Conversely, SJEHG benefits from the receipt of voluntary income, in particular for restricted purposes, in advance of the related expenditure, usually for capital projects.

The investment portfolio is held as a means of earning income to support operational activities and as reserves to ensure that SJEHG can continue to fulfil its charitable objectives, while maintaining the real value of capital over the medium to long term. The investment objectives include aiming for lower volatility than equity markets, higher diversification, and only a modest exposure to illiquid assets. The Investment Committee reviews the portfolio's strategy and performance with the investment manager on a regular basis.

Reserves

At 31 December 2015, SJEHG had total funds of £14.6m (2014, £14.1m). This comprised permanent endowments of £5.9m (2014, £5.9m), £1.9m (2014, £2.2m) in restricted income funds, and £6.8m (2014, £6m) in unrestricted reserves, of which £2.6m (2014, £2.6m) are available to meet the normal operating needs of SJEHG.

Reserves Policy

The Board of Trustees reviews annually the need for reserves in line with the guidance issued by the Charity Commission and consider that, in the context of the political and economic situation in the region in which SJEHG operates, unrestricted reserves need to be increased, when circumstances allow, to equate to at least six months running costs (equivalent to £4.47m) to ensure that SJEHG can continue to run efficiently with adequate working capital.

Principal Risks and Uncertainties

A comprehensive risk management policy is in place with a risk register of all clinical, operational, financial, external, political and governance risks. The risk register is regularly reviewed by the relevant committees and the board, with particular focus on residual risks.

A key risk which SJEHG faces continues to be financial. SJEHG still relies heavily on voluntary income received mainly from donors in the United Kingdom, Europe, Arab States, and the United States. In the current global financial situation, it remains a great challenge to continue to attract core funding from existing and new sources. The fundraising strategy includes a focus on endowment and legacy giving

in order to mitigate this risk as well as a focus on major gifts for core costs.

Liquidity is a recurring issue, especially with the prolonged payment pattern of the PA for the services provided. SJEHG sets aside a portion of the investment portfolio as a cash deposit, in order to ensure meeting the working capital needs. International currency exchange movements are an additional risk.

Operationally, patient and staff access to Jerusalem is crucial to the continuation of our ability to provide eye care services to the oPt. Working in a volatile region has inherent risks. Gaza has its own risks. The situation could escalate at any time as instability and strife continue to affect the neighbouring countries, a particular current concern.

Going Concern

With general reserves at 31 December 2015 of £2.4m, and net current assets at year end of £3.6m, it is considered by the Board of Trustees that SJEHG has sufficient resources and liquidity to continue, for the foreseeable future, to manage their operations efficiently whilst maintaining a suitable flow of funds to be spent on fulfilling our charitable objectives. Our planning process, including financial projections, has taken into consideration the current risks and its potential impact

on future income. We believe that the above mentioned uncertainties will not call into doubt our ability to continue in operation. Accordingly, these financial statements have been prepared on a going concern basis.

Remuneration Policy

All roles within SJEHG are evaluated in order to determine where they fit on our pay scale. The salaries within the scale are determined by the market rates for an equivalent position. In exceptional cases, where the market information supports it, salaries may be above the top of the band. Each year, the payroll budget is reviewed, based on legislative, statutory and market changes, using a range of sources and taking account of affordability, all as part of the annual budgetary process.

Management consult with the Finance Committee of the Board, and a pay review proposal is submitted to the Board, which makes the decision on the proposal. Staff costs are set out in note 6 of the financial statements.

Trustees and Committee Members

The Trustees of the charity, who are also the directors for the purpose of company law, during the year and at the date of this report, are listed below:



Mr Nicholas Woolf



Dr Maged Abu-Ramadan



Ms Susan Dingwall



Mr Nicholas Goulding



Mr Guy Morton



Mr John Pelly

Mr Nicholas Woolf

BSc (Econ), FCA, CTA (Fellow) KStJ

Nicholas Woolf became a board member and Chairman in June 2012. He is a Chartered Accountant and Chartered Tax Adviser and is a former partner with Arthur Andersen. He is a former trustee of Princess Alice Hospice, Beating Bowel Cancer, and Barts Charity and was a non-executive director of Westminster Primary Care Trust.

Dr. Maged A Abu-Ramadan

MD FRCSd OStJ

Dr Maged is a resident of Gaza, a Senior Consultant Ophthalmic Surgeon, and the Founder and President of the Palestinian Ophthalmological Society. In 2005 he was made mayor of Gaza. He is the Treasurer of MEACO, and the Chairman of Coastal Municipalities Water Utility (CMWU). Previously, he was the Palestinian Authority Director General of Hospitals General Administration and the Director General of the International Cooperation Department of the Ministry of Health.

Ms Susan Dingwall OStJ

Susan Dingwall is a partner of the international law firm, Norton Rose Fulbright LLP, specialising in insurance and risk issues. Ms Dingwall leads

the firm's award-winning Islamic insurance practice and is a recognised expert in her field by Chambers, Legal 500, Islamic Finance News' Leading Lawyers, Euromoney's Guide to The World's Leading Women in Business Law and Euromoney's Expert Guides – Insurance & Reinsurance.

Mr Nicholas Goulding

BSc FCA CTA (Fellow) ATT OStJ

Nicholas Goulding is SJEHG's Treasurer and Secretary. He is a Chartered Accountant and Chartered Tax Adviser and is a former partner with KPMG LLP. He is Honorary Treasurer of The HM Tower of London Chapels Royal Foundation, The Honourable Company of Air Pilots, St Lawrence with St Swithun Winchester, Blue Apple Theatre and a Governor of Lord Wandsworth College.

Mr Guy Morton OStJ

Guy Morton is a solicitor and was until his retirement in 2014 a partner in Freshfields Bruckhaus Deringer LLP, with a practice specialising in banking and financial law and the regulation of financial markets. He was Senior Partner of the firm from 2006 to 2010. He has served on European Commission consultative groups relating to

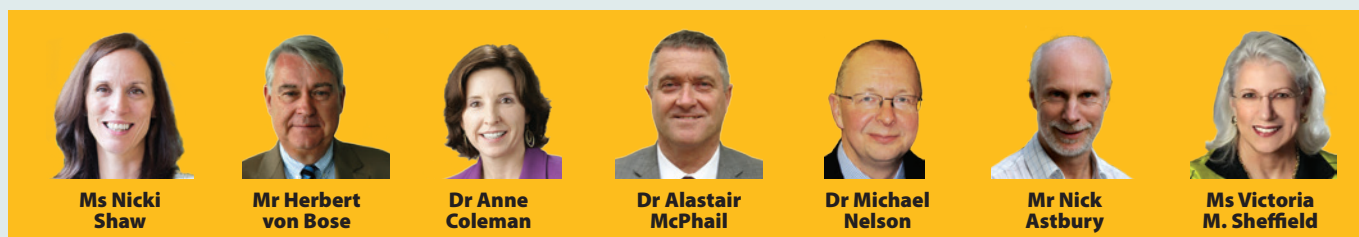
financial law reform and has represented the United Kingdom in relation to international law reform initiatives at the Hague Conference on Private International Law and UNIDROIT.

Mr John Pelly OStJ

John Pelly qualified as an accountant in 1978. He joined the NHS in 1990, becoming Finance Director of Guy's and St Thomas' Hospitals on the merger of these two world-renowned hospitals in 1993 and subsequently Chief Operating Officer, where he remained until 2004 when he became Chief Executive of Queen Elizabeth Hospital. In 2008 he was appointed Chief Executive of Moorfields Eye Hospital, a position he held until his retirement in late 2015.

Ms Nicki Shaw OStJ

Nicki Shaw is Chief Executive of Princess Alice Hospice. She previously worked at the British Heart Foundation, latterly as Programme Director for Prevention and Care. Her career has spanned the commercial, regulatory and voluntary sectors. She has participated in a number of National forums including the Palliative Care Funding Review and the DH Advisory Group on Health at Work.



Mr Herbert Von Bose

Herbert von Bose completed his studies in Law from the Universities of Bonn, Geneva and Heidelberg in 1975. He practiced as a lawyer in Mannheim and Heidelberg before working for the European Commission in Brussels. He joined the Johanniterorden in 1984 and in 1995 he was nominated Rechtsritter. From 2002 to 2012 he was the chairman of the Brussels Johanniter Group (Subkommende). Since June 2014 he has been the governing commander of the Balley.

Dr Anne Coleman MD, PHD, OSTJ

Dr Anne L. Coleman MD PhD is a Professor of Ophthalmology in the Stein Eye Institute of the David Geffen School of Medicine at UCLA and also a Professor of Epidemiology. She is Vice-Chair for Academic Affairs for the Department of Ophthalmology and Director of the SEI Centre for Community Outreach and Policy, overseeing both the UCLA Mobile Eye Clinic and the UCLA Centre for Eye Epidemiology.

Dr Alastair McPhail CMG OBE

Dr Alastair McPhail has worked for the Foreign and Commonwealth Office for 21 years. In January 2014 he was appointed British Consul

General to Jerusalem. He has had an illustrious career within the FCO serving in a number of European, Middle Eastern, and African Countries.

Dr Michael Nelson

MBChB FRCOphth MAEd OSTJ (Retired)

Dr Michael Nelson was a consultant ophthalmologist in Sheffield between 1990 and 2015. He is an Associate Postgraduate Dean for Health Education England working across Yorkshire and the Humber, Academic Lead for Innovation and Development and Director of Student Affairs for Sheffield Medical School and Education Advisor for the Royal College of Ophthalmologists. He retired from the SJEHG Board in March 2016.

Mr Nick Astbury

FRCS FRCOphth FRCP CSTJ (Retired)

Nick Astbury is a recently retired consultant paediatric ophthalmologist who served as president of the Royal College of Ophthalmologists from 2003-6. Nick currently works part-time at the International Centre for Eye Health at the London School of Hygiene and Tropical Medicine as a senior Clinical Lecturer and is particularly involved with the VISION 2020 LINKS programme and the Journal of Community

Eye Health. Other current roles include member of the RCOphth International Committee, trustee of the Impact Foundation and the Keeler Scholarship Trust, co-chair of IAPB Europe, and chair of the Duke-Elder Fund. He retired from the SJEHG board in June 2015.

Ms Victoria M. Sheffield

DSTJ (Retired)

Victoria M. Sheffield is President and CEO of the International Eye Foundation in the USA. She is Vice President of the International Agency for the Prevention of Blindness, a member of the American Academy of Ophthalmology's Global Outreach Committee, and is Vice Chair of the International Paediatric Ophthalmology and Strabismus Council's Advisory Board. She retired from the SJEHG board in June 2015.

Co-opted Committee Members who are not Trustees

David Verity	Clinical Governance
Jamie Ingham Clark	Finance
Timothy Walker	Audit
Sir Vincent Fean	Fundraising
Mark Cannon Brookes	Investment
Ken Baksh	Investment
Philip Hardaker	Honours and Awards
Sheenah Davies	Honours and Awards
Robin Oake	Honours and Awards

Governance Structure

Board Committees:

Steering

Strategy
& Planning

Clinical Governance

Finance

Audit

Fundraising*

Investment

Honours & Awards

Each committee has terms of reference, which were updated in 2013. *The Guild, a longstanding voluntary fundraising group, is a subcommittee of the Fundraising Committee.

SJEHG is an English company limited by guarantee. The Order of St John is the sole member of the Charity and appoints the Chairman of the Board of Trustees.

The Board manages the business and affairs of SJEHG and usually meets three times a year, as does the Steering Committee, with at least one meeting at the hospital in Jerusalem. The Board reviews the performance of SJEHG and in particular the performance of the hospitals in Jerusalem, Gaza, Hebron and the Anabta Clinic, as well as our Mobile Outreach Programme. The Board also considers and approves the operational and capital budgets.

The Board has established levels of authority to ensure proper accountability and

transparency. The Board is aware of the codification of directors' duties under the Companies Act 2006 and takes these duties into account in consideration of SJEHG's activities.

New Trustees are selected by the Board to maintain an appropriate balance of skills and experience. Trustees are appointed for a term of three years and may be reappointed for two further terms of three years, but are not normally eligible for a further reappointment. An induction programme is in place for new directors.

The Board of Trustees delegate responsibility for the daily management of the Charity to the Chief Executive, Brigadier Tom Ogilvie-Graham, and the Medical Director, Dr Jeanne Garth.



Chief Executive
Brigadier Tom Ogilvie-Graham
MBE CStJ PhD

Tom Ogilvie-Graham served in the British army for 30 years, primarily with the Army Medical Services and with the Household Cavalry.

His humanitarian work spans from Kuwait to Bosnia to Rwanda, as well as developing programmes for medical and public health support in Iraq and Afghanistan. He has represented the UK on NATO medical committees. He is a Barrister and a Fulbright Scholar at Cornell University, and has a Doctorate in Psychology from Edinburgh University, a Master of Science from Reading University, and a Bachelor degree in Veterinary Medicine & Surgery from Edinburgh University.



Medical Director
Dr. Jeanne Garth
FRCSEd

Dr. Jeanne Garth was born in Bahrain, and obtained her Medical Degree from Bombay University, India in 1978.

In 1980, she joined the department of Ophthalmology of the Salmaniya Medical Centre in Bahrain, which is recognised by the London, Edinburgh, Glasgow and Irish Royal Colleges for training in ophthalmology. She continued her training in Dublin and obtained a fellowship from the Royal College of Surgeons, Edinburgh.

Dr. Garth joined SJEHG as a Consultant Ophthalmic Surgeon in 2001 and became Medical Director in February 2002.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of St John of Jerusalem Eye Hospital Group for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgments 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 and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

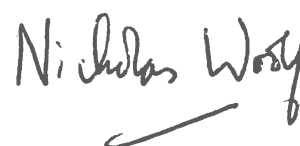
In so far as the Trustees are aware:

- *there is no relevant audit information of which the charitable company's auditors are unaware; and*
- *the Trustees have taken all the steps that they ought to have taken as a trustee in order to make*

themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

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

Approved by the Board of Trustees and signed on its behalf by:



J.N. Woolf
Chairman, Board of Trustees
St John of Jerusalem Eye
Hospital Group
Company no. 7355619
Charity no. 1139527
10 May 2016

Independent Auditors' Report to the members of St John of Jerusalem Eye Hospital Group

Report on the financial statements

Our opinion

In our opinion, St John of Jerusalem Eye Hospital Group's group financial statements and parent charitable company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2015 and of the group's incoming resources and application of resources, including its income and expenditure, and of the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Trustees' Annual Report (the "Annual Report"), comprise:

- the group and parent charitable company balance sheets as at 31 December 2015;
- the group statement of financial activities and the

group summary income and expenditure account for the year then ended;

- the group cash flow statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Annual Report, including the Strategic Report,

for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Trustees' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain

disclosures of trustees' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 23, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

This report, including the opinions, has been prepared for and only for the charity's members and trustees as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume

responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the trustees' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements. We test and examine

information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Andrew Lowe
(Senior Statutory Auditor)
for and on behalf of
PricewaterhouseCoopers LLP
Chartered Accountants and
Statutory Auditors
London
10 May 2016

SJEHG Financial Statements

Consolidated Statement of Financial Activities

for the year ended 31 December 2015

	Notes	Unrestricted Funds 2015 £'000	Restricted Funds 2015 £'000	Endowment Funds 2015 £'000	Total Funds 2015 £'000	Total Funds 2014 £'000
Income and Endowments						
Donations and legacies	3	1,703	2,895	-	4,598	5,336
Income from investments		50	97	-	147	123
Income from charitable activities	4	3,776	-	-	3,776	3,831
Total Income and Endowments		5,529	2,992	-	8,521	9,290
Resources Expended						
Expenditure on generating funds		(622)	-	-	(622)	(476)
Expenditure on charitable activities		(4,975)	(2,432)	-	(7,407)	(7,054)
Other expenditure		(170)	-	-	(170)	(164)
Total Resources Expended	5	(5,767)	(2,432)	-	(8,199)	(7,694)
Net (losses) / gains on investments	8, 14	(4)	-	10	6	195
Net (Expenditure) / Income		(242)	560	10	328	1,791
Transfers between funds	12,13	927	(927)	-	-	-
Exchange gains/(losses) on overseas activities		179	-	-	179	(169)
Net Movement in Funds		864	(367)	10	507	1,622
Fund balances brought forward at 1 January		5,954	2,231	5,908	14,093	12,471
Fund balances carried forward at 31 December	15	6,818	1,864	5,918	14,600	14,093

All gains and losses recognised in the year are included in the statement of financial activities.

Group Income and Expenditure Account for the year ended 31 December 2015

	2015 £'000	2014 £'000
Income	8,521	9,290
Expenditure	(8,199)	(7,694)
Realised gains on investments	-	29
Net income	322	1,625

All the above results are derived from continuing activities.

The accounting policies and the notes on pages 29 to 40 form part of these financial statements.

The income and expenditure account excludes the unrealised investment and exchange gains/losses shown in the Statement of Financial Activities.

SJEHG Financial Statements

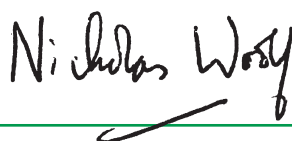
Balance Sheets

31 December 2015

	Notes	Group 2015 £'000	Group 2014 £'000	Charity 2015 £'000	Charity 2014 £'000
Fixed Assets					
Tangible assets	7	4,232	3,371	6	5
Investments	8	10,237	10,158	8,909	9,116
Total Fixed Assets		14,469	13,529	8,915	9,121
Current Assets					
Stocks and work in progress	9	364	402	-	-
Debtors	10	1,730	1,324	63	24
Cash at bank and in hand		3,009	3,180	1,243	1,605
Total Current Assets		5,103	4,906	1,306	1,629
Creditors: Amounts falling due within one year	11	(1,519)	(1,408)	(36)	(38)
Net Current Assets		3,584	3,498	1,270	1,591
Total Assets Less Current Liabilities		18,053	17,027	10,185	10,712
Creditors: Amounts falling due after more than one year	11	(3,453)	(2,934)	-	-
Net Assets		14,600	14,093	10,185	10,712
The Funds of the Group and Charity					
Restricted income funds	13	1,864	2,231	432	715
Endowment funds	14	5,918	5,908	5,918	5,908
Unrestricted income funds	12				
Designated		4,232	3,371	6	5
Revaluation reserve		146	135	146	135
General reserves		2,440	2,448	3,683	3,949
Unrestricted income funds		6,818	5,954	3,835	4,089
Total Funds of the Group and Charity	15	14,600	14,093	10,185	10,712

The accounting policies and the notes on pages 29 to 40 form part of these financial statements.

The financial statements were approved by the Trustees on 10 May 2016 and signed on their behalf by:



Nicholas Woolf KStJ
Chairman



Nicholas Goulding OStJ
Treasurer

SJEHG Financial Statements

Consolidated Cash Flow Statement

for the year ended 31 December 2015

	Notes	2015 £'000	2014 £'000
Net cash inflow from operating activities	16	1,149	2,126
Cash flows from investing activities			
Investment income		147	123
Purchase of tangible fixed assets	7	(1,400)	(1,280)
Proceeds from disposal of tangible fixed assets		6	-
Net purchase of fixed asset investments	8	(77)	(352)
Proceeds from sale of fixed asset investments	8	4	176
Net cash outflow from investing activities		(1,320)	(1,333)
Cash flows from financing activities			
Inflows from movement of short term deposits		-	9
Net cash inflow from financing activities		-	9
Change in cash and cash equivalents in the reporting period		(171)	802
Cash at bank and in hand at 1 January		3,180	2,378
(Decrease) / increase in cash in the year		(171)	802
Cash at bank and in hand at 31 December		3,009	3,180

The accounting policies and the notes on pages 29 to 40 form part of these financial statements.

SJEHG Financial Statements

Notes to the Financial Statements

for the year ended 31 December 2015

1 Principal Accounting Policies

a Basis of preparation

The financial statements have been prepared on the going concern basis, under the historical cost convention, except for investments which are stated at market value, with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these financial statements. 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 2015 and the Charities Act 2011 and the Companies Act 2006.

FRS 102 was adopted for the first time for the year ended 31 December 2015. In preparing the financial statements, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102, a restatement of comparative items for the year ended 31 December 2014 was needed. No restatements were required.

These financial statements consolidate, on a line by line basis, the results and financial position of St John of Jerusalem Eye Hospital Group (the "Charity") together with its wholly owned and controlled charitable subsidiary undertakings, St John of Jerusalem Eye Hospital and St John Eye Hospital in Jerusalem (RA) (together the "Group"). Transactions and balances between the Charity and its subsidiary undertakings have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the notes of the Charity's balance sheet. A separate statement of financial activities, and income and expenditure account, for the Charity is not presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006 and Charities SORP FRS 102.

b Foreign currencies

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities at the year end are translated at the rate ruling at the balance sheet date. Results of overseas operations are translated at the average rate for the period and their assets and liabilities at the balance sheet rate. All exchange differences are dealt with in the Statement of Financial Activities. Exchange differences on the translation of the assets and liabilities of overseas operations are included as Other recognised gains/(losses). All other exchange differences are included as incoming resources or resources expended as appropriate.

c Income recognition

Donations and other income are recognised in the financial statements on a receivable basis. Grants are recognised when the entitlement to the grant is confirmed. Legacies are recognised when the entitlement arises, being the earlier of the Group being notified of the impending distribution or the legacy being received. Income from charitable activities is accounted for when earned. Subsidies and exemptions in respect of medical services provided without charge are shown as a deduction from gross income.

d Medical Volunteers

The value of services rendered by medical volunteers is recognised in these financial statements.

e Resources expended and basis of allocation of costs

Resources expended are accounted for on an accruals basis and have been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of these resources. The irrecoverable value added tax is included with the item of expense to which it relates.

f Costs of generating funds

These include the salaries and direct expenditure costs of the staff who primarily promote fundraising.

g Cost of activities in furtherance of the charity's objectives

These represent the costs of providing the medical and training services of the hospital and its clinics including both direct expenditure and the associated support costs.

h Governance costs

These comprise costs attributable to the overall management of the Group's affairs and compliance with constitutional and statutory requirements.

i Operating leases/rentals

The costs in respect of operating leases and rentals are charged to the Statement of Financial Activities on a straight line basis over the contract period.

The rental cost for the office in London occupied rent free has been computed based on an estimate of arm's length value. No charge is imputed in respect of the Jerusalem Hospital premises, which the Group occupied rent free until October 2015, after which date it pays a nominal rent.

j Pension and other end of service costs

The amount charged in the Statement of Financial Affairs in respect of pension costs is the contributions payable in the year on an accruals basis. Other end of service benefits are accrued as earned on an undiscounted basis.

SJEHG Financial Statements

Notes to the Financial Statements

for the year ended 31 December 2015

1 Principal Accounting Policies (continued)

k Taxation

The Charity and each group entity are entitled to certain tax exemptions on income and gains from investments, and surpluses on any activities carried on in furtherance of their primary charitable objectives.

l Tangible assets and depreciation

Cost of tangible assets includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Donated fixed assets are brought into account at an estimate of their market value at the time of acquisition and, thereafter, depreciated on the bases set out below. The costs of minor additions to fixed assets under £2,000 are expensed in the year in which they are incurred. Impairment reviews are only carried out if there is an indication that the recoverable amount of an asset is below its net book value.

Depreciation on fixed assets is provided at rates estimated to write off the cost, less estimated residual value, of each asset over its expected useful life on a straight line basis, as follows:

Buildings	- 2.5%	per annum
Building improvements	- 10%	per annum
Medical equipment	- 15%	per annum
Motor vehicles	- 20%	per annum
Other equipment	- 20%	per annum
Fixtures and fittings	- 6%	per annum
Computer equipment	- 33%	per annum
UK office fixed assets	- 25%	per annum

m Investments

Listed investments are stated at market value. Realised gains and losses on investments are calculated as the difference between the sales proceeds and their market value at the start of the period, or subsequent cost. Unrealised gains and losses represent the difference between market values at the beginning and at the end of the period. Income from fixed interest investments and dividends is recorded on an accruals basis. Market value for unlisted investments is calculated by the fund managers using underlying financial information.

n Liquid resources

Liquid resources are cash, time deposits, and certificates of deposit.

o Stocks

Valuation of stocks is determined using the "first in-first out" method and stocks are stated at the lower of cost and net realisable value.

p Funds

Unrestricted funds are funds which are generally available for the Group to carry out its charitable objectives; these include designated funds, which are amounts that have been set aside to finance fixed assets.

Restricted funds are funds which are subject to specific conditions imposed by the donors.

Endowment funds are capital funds where the capital cannot be spent in the normal course of activities, although the income is added to restricted or unrestricted funds depending on the terms of the original endowment.

q Estimates and assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reporting period. Although these amounts are based on trustees' best estimates of the amount, events or actions may mean that actual results ultimately differ from those estimates, and these differences may be material.

2 Legal status

SJEHG was incorporated in England as a company limited by guarantee on 24 August 2010 under registration number 7355619. It is registered as a charity under number 1139527. The registered office is at 4 Charterhouse Mews, London EC1M 6BB. It has no share capital and the liability of each member in the event of winding up is limited to £10.

3 Voluntary Income

	Unrestricted £'000	Restricted £'000	2015 Total £'000	Unrestricted £'000	Restricted £'000	2014 Total £'000
Donations and gifts	1,191	2,895	4,086	1,124	4,004	5,128
Legacies	327	-	327	147	-	147
Donations in kind	185	-	185	61	-	61
	1,703	2,895	4,598	1,332	4,004	5,336

Donations in kind includes the estimated market cost of medical services donated by visiting doctors to the Jerusalem Hospital £11,000 (2014, £2,000); the value of donated tangible assets and medical supplies was £174,000 (2014, £59,000). Income from related parties is set out in note 18.

SJEHG Financial Statements

Notes to the Financial Statements

for the year ended 31 December 2015

4 Incoming Resources from Charitable Activities

	2015 £'000	2014 £'000
Outpatient income	1,553	1,619
Surgical income	2,522	2,728
Less: Patient Relief	(494)	(727)
Net patient related income	3,581	3,620
Other hospital income	37	50
Rental income, board and lodging	158	161
Total other income	195	211
Total income from charitable activities	3,776	3,831

Patient Relief represents subsidies and exemptions to cover the value of medical services rendered when payment is waived by the Charity where funding is not available from the relevant authorities and where the patients are unable to pay any balance owing. All of the above income comprises unrestricted funds.

5 Total Resources Expended

	Costs of Generating Funds 2015 £'000	Costs of Generating Funds 2014 £'000	Charitable Activities 2015 £'000	Charitable Activities 2014 £'000	Governance Costs 2015 £'000	Governance Costs 2014 £'000	Total 2015 £'000	Total 2014 £'000
Personnel costs (note 6)	281	273	4,661	4,418	45	68	4,987	4,759
Medical costs	-	-	1,284	1,272	-	-	1,284	1,272
Establishment costs	80	67	497	496	16	15	593	578
Depreciation	5	4	694	662	1	1	700	667
Office expenses	38	19	144	147	4	2	186	168
Travel and subsistence	92	15	63	112	9	12	164	139
Marketing and publicity	104	97	-	-	-	-	104	97
Auditors' remuneration	-	-	-	-	58	51	58	51
Other professional fees	22	1	3	11	38	15	63	27
Legal fees	-	-	35	24	-	-	35	24
Finance costs	-	-	26	(88)	(1)	-	25	(88)
	622	476	7,407	7,054	170	164	8,199	7,694
Support costs included above	-	-	890	808	52	36	942	844

Total resources expended in 2014 of £7,694,000 comprise £4,653,000 for unrestricted funds and £2,401,000 for restricted funds.

	2015 £'000	2014 £'000
Support costs comprise:		
Personnel costs	352	334
Establishment costs	261	260
Depreciation	70	67
Office expenses	147	149
Travel and subsistence	63	112
Other professional fees	23	9
Finance costs	26	(87)
	942	844

	2015 £	2014 £
Auditors' remuneration (excluding VAT):		
External audit	36,307	31,301
Other services provided by external auditors	30,588	8,046
Sub-total	66,895	39,347
Internal audit	9,190	8,491
	76,085	47,838

SJEHG Financial Statements

Notes to the Financial Statements

for the year ended 31 December 2015

6 Employee Information

The average monthly number of employees, including part time staff calculated on a full-time equivalent basis, analysed by function during the year was

	2015 Number	2014 Number
Medical and nursing	143	138
Support services	50	47
Fundraising	8	6
Administration	35	34
	236	225

a Staff costs

Description	2015 £'000	2014 £'000
Wages and salaries	4,414	4,239
Social security costs	345	338
Other pension costs	170	167
Other costs	58	15
	4,987	4,759

b Employees' emoluments

The number of employees whose emoluments (salaries and benefits in kind) fell within the following bands were:

	2015 Number	2014 Number
£140,001 - £150,000	-	1
£130,001 - £140,000	1	-
£100,001 - £120,000	1	1
£80,001 - £90,000	1	-
£70,001 - £80,000	-	1
£60,001 - £70,000	3	3

During the year, provident benefits and pension contributions on behalf of these staff amounted to £10,919 (2014, £12,553).

c Remuneration received by key management personnel

The remuneration (salaries and benefits) received by the 11 senior management personnel in managing the daily operations amounted to £689,000 (2014, £621,000).

d Pension costs

Pension costs comprise the contributions payable to authorised Israeli money purchase pension schemes in respect of certain employees and a UK defined contribution retirement benefit scheme managed by an independent pension provider in respect of UK employees.

End of service benefits for non UK employees included in wages and salaries costs are included in the Balance Sheet in Creditors: Amounts falling due after more than one year.

SJEHG Financial Statements

Notes to the Financial Statements

for the year ended 31 December 2015

7 Tangible Assets

a Group

	Buildings & Improvements £'000	Medical Equipment £'000	Motor Vehicles £'000	Other Assets £'000	Total £'000
Cost					
1 January 2015	3,251	4,491	147	1,439	9,328
Additions	837	296	60	207	1,400
Exchange differences	180	225	8	73	486
Disposals	-	-	(45)	-	(45)
31 December 2015	4,268	5,012	170	1,719	11,169
Depreciation					
1 January 2015	1,962	2,972	77	946	5,957
Charge for the year	145	403	32	120	700
Exchange differences	99	154	4	47	304
Disposals	-	-	(24)	-	(24)
31 December 2015	2,206	3,529	89	1,113	6,937
Net Book Value					
31 December 2015	2,062	1,483	81	606	4,232
31 December 2014	1,289	1,519	70	493	3,371

Other Assets comprise fixtures and fittings, computer and office equipment.

b Charity

	Other Assets £'000	Total £'000
Cost		
1 January 2015	40	40
Additions	7	7
31 December 2015	47	47
Depreciation		
1 January 2015	35	35
Charge for the year	6	6
31 December 2015	41	41
Net Book Value		
31 December 2015	6	6
31 December 2014	5	5

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Notes to the Financial Statements

for the year ended 31 December 2015

8 Investments

a Group

	Bank Deposits £'000	Listed Investments £'000	Total £'000
Market value at 1 January 2015	590	9,568	10,158
Additions	200	233	433
Withdrawals	-	(356)	(356)
Disposals	-	(4)	(4)
Unrealised gains	-	6	6
Market value at 31 December 2015	790	9,447	10,237
Historical cost at 31 December 2015	790	8,995	9,785

b Charity

	Listed Investments £'000	Total £'000
Market value at 1 January 2015	9,116	9,116
Additions	150	150
Withdrawals	(356)	(356)
Disposals	(4)	(4)
Unrealised gains	3	3
Market value at 31 December 2015	8,909	8,909
Historical cost at 31 December 2015	8,480	8,480

c Listed investments

Analysis by category of underlying holding and location

		2015 Group £'000	2015 Charity £'000	2014 Group £'000	2014 Charity £'000
Equity investments	- UK	2,806	2,806	2,778	2,778
	- Overseas	2,212	2,212	2,194	2,194
Fixed interest securities	- UK	209	209	452	452
Property Unit Trusts	- UK	489	489	450	450
Property Unit Trusts (unlisted)	- Europe	46	46	49	49
Hedge Funds	- UK	1,160	1,160	987	987
Hedge Funds (unlisted)	- USA	5	5	8	8
Sterling & Cash Instruments	- UK	1,982	1,982	2,198	2,198
Others	- Overseas	538	-	452	-
Market value of listed investments		9,447	8,909	9,568	9,116

SJEHG Financial Statements

Notes to the Financial Statements

for the year ended 31 December 2015

8 Investments (continued)

c Listed investments (continued):

At 31 December 2015, the following pooled funds represented more than 5% of the total investment portfolio:

Group & Charity	2015	2014
Artemis UK Special Situations Fund	9.0%	8.4%
Vanguard S&P 500 UCITS ETF	9.0%	8.4%
Schroders QEP Global Active Value Fund	8.8%	8.8%
Schroder Income Fund	8.7%	9.4%
AXA Framlington UK Select Opportunities Fund	7.1%	6.4%
Trojan Fund	6.9%	6.8%
CF Ruffer Total Return Fund	6.6%	6.8%
Majedie UK Equity Fund	6.3%	6.3%
Aberdeen Foundation Growth Fund	5.9%	5.8%
Property Income Trust for Charities	5.8%	5.2%

d Bank deposits

Bank deposits classified as investments represent deposit funds managed by Investment managers.

e Investment in subsidiaries

The Charity is the controlling member of St John of Jerusalem Eye Hospital (SJEH), a UK registered charitable company limited by guarantee (Company No.3867950 and Charity No. 1080185) and having no share capital. The liability of each member in the event of winding up is limited to £10. SJEH provides ophthalmic services through a branch in the oPt.

The Charity is also the controlling member of St John Eye Hospital in Jerusalem (RA)(SJEHJ), an Israeli registered charitable society (No. 580040368), limited by guarantee and having no share capital. SJEHJ provides ophthalmic services from the Jerusalem Hospital and the Mobile Outreach Programme.

SJEH owns two £1 shares being all the issued shares in The St John Eye Hospital (Palestine) Limited, which has not traded since incorporation.

Summary of financial information for the subsidiary entities:

	St John Eye Hospital in Jerusalem(RA) 2015 £'000	St John of Jerusalem Eye Hospital 2015 £'000
Total incoming resources	4,915	1,458
Total resources expended	(6,394)	(1,243)
Net (outgoing) / incoming resources before other recognised gains	(1,479)	215
Other recognised gains	97	83
Net movements in funds	(1,382)	298
Total assets	6,638	3,014
Total liabilities	(4,176)	(951)
Total funds	2,462	2,063

SJEHG Financial Statements

Notes to the Financial Statements

for the year ended 31 December 2015

9 Stocks and work in progress

Stocks comprise hospital medical stores and supplies all owned by subsidiaries.

10 a Debtors

		Group 2015 £'000	Group 2014 £'000	Charity 2015 £'000	Charity 2014 £'000
	Note				
Trade debtors		1,316	1,020	1	2
Allowance for bad debts	10 b	(212)	(167)	-	-
Net trade debtors		1,104	853	1	2
Donations receivable		532	349	38	10
Other debtors		1	9	-	-
Prepayments and accrued income		93	113	24	12
Total debtors		1,730	1,324	63	24

b Movement in allowance for bad debts

	Group 2015 £'000	Group 2014 £'000
1 January	167	101
Additions	394	654
Write off	(349)	(588)
31 December	212	167

SJEHG Financial Statements

Notes to the Financial Statements

for the year ended 31 December 2015

11 Creditors

a Amounts falling due within one year

		Group 2015 £'000	Group 2014 £'000	Charity 2015 £'000	Charity 2014 £'000
	Note				
Trade creditors		476	305	19	-
Retirement benefits		-	194	-	15
Taxation and social security		63	65	1	8
Accruals		878	752	15	15
Deferred income	11 b	61	92	-	-
Holiday pay accrual		41	-	1	-
		1,519	1,408	36	38

b Deferred income

	Group 2015 £'000	Group 2014 £'000
1 January	92	46
Deferred income recognised	119	184
Deferred income released	(153)	(152)
Exchange differences	3	14
31 December	61	92

c Amounts falling due after more than one year

	2015 Group £'000	2014 Group £'000	2015 Charity £'000	2014 Charity £'000
1 January	2,934	3,048	-	-
Additions	455	304	-	-
Exchange differences	126	(41)	-	-
Payments	(62)	(377)	-	-
31 December	3,453	2,934	-	-

Accrued retirement benefits mainly represents amounts payable under Israeli law when staff leave SJEHG employment. Such amounts are accrued when earned, based on current monthly salaries and periods of service. The balance also includes provident schemes in respect of certain Jerusalem employees.

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Notes to the Financial Statements

for the year ended 31 December 2015

12 Unrestricted Income Funds

	1 January 2015	Incoming Resources	Resources Expended	Transfers	Gains & Losses	31 December 2015
	£'000	£'000	£'000	£'000	£'000	£'000
Group						
General reserves	2,448	5,101	(5,091)	-	(18)	2,440
Designated funds: Tangible fixed assets	3,371	428	(676)	927	182	4,232
Revaluation reserve	135				11	146
Total unrestricted funds	5,954	5,529	(5,767)	927	175	6,818
Charity						
General reserves	3,949	257	(515)	-	(8)	3,683
Designated funds: Tangible fixed assets	5	7	(6)	-		6
Revaluation reserve	135				11	146
Total unrestricted funds	4,089	264	(521)	-	3	3,835

Transfer from restricted funds represents amounts released from restricted funds for the purchase of tangible assets.

13 Restricted Income Funds

	1 January 2015	Incoming Resources	Charitable Activities	Purchase of Tangible Assets	31 December 2015
	£'000	£'000	£'000	£'000	£'000
Charity					
Staff sponsorship	211	935	(961)	-	185
Outreach	90	2	(92)	-	-
West Bank and Gaza Facilities	10	169	(171)	-	8
Hebron capital project	200	227	-	(380)	47
Other capital projects	141	33	-	(59)	115
Patient relief	25	38	(60)	-	3
Income received from endowments	-	97	(97)	-	-
Other projects	27	107	(77)	-	57
Others value less in each case than £25,000	11	21	(15)	-	17
Total Charity	715	1,629	(1,473)	(439)	432
Capital projects	981	386	-	(488)	879
Other projects	521	880	(866)	-	535
Others value less in each case than £25,000	14	97	(93)	-	18
Total Group	2,231	2,992	(2,432)	(927)	1,864

Charity

- Staff sponsorship represents funds received to cover or contribute to staff costs of 47 hospital staff.
- Outreach funds cover the running costs of two outreach units.
- West Bank and Gaza Facilities Fund contribute to cover the operating costs of Gaza, Hebron and Anabta Clinic.
- Capital projects funds represent funds received from various UK Trusts and Middle East donors to purchase medical equipment and for the construction of the two new daycare hospitals in Gaza and Hebron.
- Patient relief funds contribute towards the treatment costs of needy patients.
- Other projects include joint teaching programmes with other medical institutions and funds that cover the School of Nursing costs.

Group

- Capital projects funds represent funds received from various donors to purchase a vehicle for the outreach project, new Health Management Information System, medical equipment, and for the construction of the two new daycare hospitals in Gaza and Hebron.
- Other projects include donations received for the Diabetic retinopathy project, outreach programmes, patient relief, and Anabta Clinic.

SJEHG Financial Statements

Notes to the Financial Statements

for the year ended 31 December 2015

14 Endowment Funds Group & Charity

	1 January 2015 £'000	Investment Gains £'000	31 December 2015 £'000
American Society of St John: Walsh Bequest	426	1	427
Bed Endowment	3,463	6	3,469
Frost Charitable Trust	466	-	466
Frost Nursing School	440	1	441
Mr. Owen Smith Endowment	94	-	94
The John Swire Foundation Endowment	1,019	2	1,021
	5,908	10	5,918

These funds represent:

- The American Society of St John: Walsh Bequest: The Bequest was made in 2000 in honour of the Rev. Canon Edward Walsh and Don Wesley Lundquist, for the endowment of 2 beds in the Children's Ward at the Hospital's facilities, maintained for the care of needy children.
- The Bed Endowment Fund: Donations to endow 37 beds between 1981-1995, with the use of income restricted to general patient care in the hospital.
- The Frost Endowment Funds: These amounts were donated in 1989 by The Frost Charitable Trust (Mrs Sally Frost) to endow 4 beds at the hospital and the Nurses Training School.
- The Endowment of Mr Owen Smith was received in 2008 to fund professional medical training.
- The John Swire Foundation Endowment was received in 2013 to fund general operating costs.
- Investment income on endowment funds is applied in providing the on-going services covered by the endowment and is accounted for as unrestricted investment income in the Statement of Financial Activities.

15 Total Funds

	Unrestricted Funds 2015 £'000	Unrestricted Funds 2014 £'000	Restricted Funds 2015 £'000	Restricted Funds 2014 £'000	Endowment Funds 2015 £'000	Endowment Funds 2014 £'000	Total Funds 2015 £'000	Total Funds 2014 £'000
a Analysis by type of asset and liability Group								
Tangible assets	4,232	3,371	-	-	-	-	4,232	3,371
Investments	4,319	4,250	-	-	5,918	5,908	10,237	10,158
Net current assets	1,720	1,267	1,864	2,231	-	-	3,584	3,498
Creditors: Amounts falling due after more than one year	(3,453)	(2,934)	-	-	-	-	(3,453)	(2,934)
	6,818	5,954	1,864	2,231	5,918	5,908	14,600	14,093
b Analysis by type of asset and liability Charity								
Tangible assets	6	5	-	-	-	-	6	5
Investments	2,991	3,208	-	-	5,918	5,908	8,909	9,116
Net current assets	838	876	432	715	-	-	1,270	1,591
	3,835	4,089	432	715	5,918	5,908	10,185	10,712

16 Reconciliation of net operating income to net cash inflow from operating activities

	2015 £'000	2014 £'000
Net incoming resources	322	1,596
Investment income	(147)	(123)
Loss on disposal of tangible fixed assets	5	-
Foreign exchange differences	7	(6)
Depreciation	700	667
Decrease / (Increase) in stocks	38	(248)
(Increase) / Decrease in debtors	(406)	223
Increase in creditors	630	17
Net cash inflow from operating activities	1,149	2,126

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Notes to the Financial Statements

for the year ended 31 December 2015

17 Trustees' Remuneration

The trustees receive no remuneration.

Reimbursement of trustees' expenses for travel, accommodation and flights for 10 trustees (2014, 13) during the year amounted to £24,149 (2014, £22,671).

Donations made by trustees amounted to £10,648 (2014, £27,195).

Charity Trustee Indemnity insurance is provided at a cost of £6,440 (2014, £6,413) to cover the charity, trustees and officers against potential claims and losses.

18 Related Party Transactions

The Charity is a wholly owned subsidiary of The Most Venerable Order of the Hospital of St John of Jerusalem (Charity number 235979, Principal Office: St John House, 3 Charterhouse Mews, London, EC1M 6BB).

The Jerusalem Hospital premises occupied by the Group are owned by the Order of St John and were occupied rent free on a full repairing basis. During 2015 the Group signed an agreement with the Order of St John to lease the Hospital in Jerusalem and similarly the Muristan property at a peppercorn rent. In the opinion of the trustees, it would be impracticable to place a value on these facility.

The Group also occupies on a rent free basis offices in London owned by the Order of St John. The value of this facility has been estimated at £48,000 per annum based on the rents payable by the external tenants at the complex. This amount is included in the financial statements as a donation in kind.

The Chairman of the Charity, Mr. Nicholas Woolf, is also a trustee of The Most Venerable Order of the Hospital of St John of Jerusalem.

Donations and gifts include amounts received from Priors of the Order of St John, which are considered to be related party transactions:

	2015	2014
Priory	£'000	£'000
USA	1,318	623
England and the Islands	468	481
Scotland	195	351
New Zealand	113	134
Australia	85	84
Canada	50	68
Wales	15	40
Singapore	2	2
	2,246	1,783

	2015	2014
Donations by the Priory of the United States	£'000	£'000
Hospital - General Support	789	292
Hospital - Restricted	262	331
USAID / ASHA Hospital Restricted Grant	267	-
	1,318	623

During the year, the Charity reimbursed the Priory of England and the Islands and the Order of St John £13,836 (2014, £263) in respect of certain expenses incurred.

No amounts were outstanding with any related parties at 31 December 2015 or 2014.

19 Contractual & Designated Obligations

In 2014, a contract was signed to build a new day care hospital in Gaza. The total value of this contract is £920,000.

The project continued in 2015, and the related liabilities are reflected in the financial statements and are capitalised accordingly. SJEHG will incur a further £315,000 related to this project in 2016.

In 2015, a contract was signed to complete the refurbishment of the new purchased property in Hebron.

The total value of this contract is £404,000. The related liabilities are reflected in the financial statements and are capitalised accordingly. SJEHG will incur further £112,000 related to this project in 2016.

Professional Advisers & Administrative Information

London & Registered Office
4 Charterhouse Mews
London EC1M 6BB

Jerusalem Hospital
2 Mujir Eddin Street
Sheikh Jarrah
P.O. Box 19960
Jerusalem 91198

Bankers in the UK
National Westminster Bank Plc
134 Aldersgate Street
London EC1A 4JB

Barclays Bank PLC
1 Churchill Place
London E14 5HP

**Bankers in the occupied
Palestinian territories**
Bank of Palestine PLC
Hebron Road
P.O. Box 765
Bethlehem

Investment Managers
Schroders (C.I.) Limited
PO Box 334 Regency Court
Glatigny Esplanade
St Peter Port
Guernsey GY1 3UF

Independent Auditors
PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH



All the images used in this report are actual SJEHG staff and patients and they have given their consent

The Company has two charitable subsidiary undertakings, providing ophthalmic services in the occupied Palestinian territories; St John of Jerusalem Eye Hospital (a UK Company Limited by guarantee, Company number 3867950; Charity number 1080185) and St John Eye Hospital in Jerusalem (RA) (an Israeli charitable society, registration number 580040368).

St John of Jerusalem Eye Hospital Group was incorporated as a company limited by guarantee on 24 August 2010 under registration number 7355619. It is registered as a charity under the number 1139527.

Thank you

Our vital work is reliant on voluntary income from charitable donations

Without our donors, we could not continue saving sight and changing lives. The patients and staff at SJEHG greatly appreciate the support of everyone who has given or helped in some way in 2015.

The St John Priories from around the world have once again delivered much valued assistance to SJEHG. We thank the **Priories of Australia, Canada, England, New Zealand, Scotland, Singapore, the USA and Wales** for their continuing support.

We are pleased to receive the support of our Patron Lord Vestey. We are grateful to the Guild, the Alliance of the Orders of St John, St John Associations and the St John Fellowship for their on-going and crucial support.

Further Major Donors 2015:

The Arab Fund for Economic and Social Development
Australian Representative Office, Ramallah
Bank of Palestine
The Ben May Charitable Trust
The Bernard Sunley Charitable Foundation
Bishops Waltham Charity Garden Fair
The Brillig Charitable Trust
The British Humane Association
The Bryan Guinness Charitable Trust
Christian Blind Mission
The Cadogan Charity
Children of Peace
CHK Charities Limited
The Clothworkers' Foundation
Consolidated Contractors Company
Dr Michael Dan
The Estate of Aubrey Desmond Donald
The Edwina Mountbatten & Leonora Children's Foundation
The Eranda Foundation
The European Union
The Evan Cornish Foundation
Fred Hollows Foundation
The Estate of Joan Frieze
Caroline Gavin
The German Federal Ministry for Economic Cooperation and Development
Peter Goltra
Greendale Foundation
The Estate of Geoffrey Leslie Howe
The Hugh Symons Charitable Trust
Jerusalem Governorate
Johanniterhjälp
The John Swire 1989 Charitable Trust

The Kadoorie Charitable Foundation
The Karl Kahane Foundation
Julieta Khoury
The Knights Templar
The Lavelle Fund for the Blind
The Linbury Trust
Timothy Mattar
The Maurice and Hilda Laing Charitable Trust
The MBC Heritage of Islam Trust
The Norton Rose Charitable Foundation
The OPEC Fund for International Development
Paltel
The Park House Charitable Trust
The Estate of Dorothy Peacock
The Perth Eye Clinic Foundation
The PF Charitable Trust
The Pilkington Charities Fund
Pictures on Walls
Qatar Committee
Stephen Roberts
Wael Sa'di
Salam Ya Seghar
The Sobell Foundation
St John New South Wales
The St John Commandery in Western Australia
Tamari Foundation
UNDP - Community Resilience and Development Programme
The United States Agency for International Development (USAID)
The Valentine Charitable Trust
Welfare Association
The Estate of Isla Williams
World Diabetes Foundation
World Health Organization



We would also like to thank the many diplomats who have taken the time to visit SJEHG this year. These included:

H.E. Donald Blome - United States Consul General, and his wife Debbie Blome

Ms. Martina Feenay - Head of Mission of Irish Representative Office to the PA

Mr. Hans Jacob Frydenlund - Head of the Representative Office of Norway to the PA

Ms. Sanna Kyllonen - Deputy Head of Mission, Representative Office of Finland to the PA

Mr. Vincenzo Racalbuto - Director of the Italian Development Cooperation Agency

H.E. Dominique Prince de La Rochefoucauld - The Grand Hospitaller for the Sovereign Military Order of Malta

Mr. Radek Rubes - Head of the Representative Office of the Czech Republic to the PA

Mr. Sergio Sierra Bernal - Head of the Representative Office of the Mexico to the PA

H.E. Justin Simpson - Representative for the Sovereign Military Order of Malta

Mr. Pedro Sousa e Abreu - Head of the Representative Office of the Portugal to the PA

Mr. Ralph Tarraf - Head of the EU Delegation to the West Bank and Gaza Strip

Ms. Sandra Wijnberg - Deputy Head of Mission of the Office of the Quartet Representative



**St John of Jerusalem
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