

**We reached
over 136,600
patients and
performed
over 5,700
major
surgeries.**

ANNUAL REPORT 2019



**St John of Jerusalem
Eye Hospital Group**





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Eye Hospital Group**

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. Our aim is to end preventable blindness throughout the oPt. We have been treating patients in the region regardless of their ethnicity, religion, social class or ability to pay for over 137 years. Our sight-saving work is carried out against challenging odds to the highest international standards.

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GLOSSARY: CBM – Christoffel-Blindenmission. EU – European Union. JCI - Joint Commission International; the gold-standard for healthcare worldwide. NGO - nongovernmental organisation. 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. UNDP - United Nations Development Programme. UNRWA - United Nations Relief and Works Agency, the UN branch responsible for Palestinian refugees. USAID - United States Agency for International Development

All uncredited photos throughout this Annual Report have been taken by staff of SJEHG. All the images used in this report are of actual SJEHG staff and patients and they have given their consent.

St John of Jerusalem Eye Hospital Group Company no: 7355619 Charity no: 1139527
Registered Office: 4 Charterhouse Mews, London, EC1M 6BB

CHAIRMAN & CEO INTRODUCTION



Sir Andrew Cash and Dr Ahmad Ma'ali in the Jerusalem Hospital Gardens, September 2018

We had another successful year in 2019 as we extended our charitable eye services to respond to the increasing needs of the people in the Holy Land. In 2019, we treated 136,600 patients of which 38,000 were children and performed 5,700 major sight saving eye surgeries.

The charity income reached £12.2m compared with £12.1m in 2018. We are grateful to everyone who managed to give so generously, and we would like to thank the St John Pories who raised over £2.5m.

We would like to take this opportunity to thank all our staff, trustees and supporters for their continued dedication for the SJEHG which allows us to continue provide care and support to the most needy patients in the Holy Land.

We are committed to providing quality eye care to our patients and very proud to have been re-accredited by the Joint Commission International for the third time in June 2019. This achievement highlights the fact that we continue to operate to the very highest standard of patient care and safety.

Our commitment to Gaza has been reinforced by opening a second operating room at our Gaza Hospital. This has enabled us to increase our surgical activities by more than 37%. We also treated close to 45,000 patients at our Gaza facilities with an increase of 10% as compared to 2018.

Enhancing our local research capabilities has been a major focus during 2019. We capitalised on our genetics research achievements with the Hadassah Hospital and completed a nation-wide Rapid Assessment of Avoidable Blindness amongst Palestinians over the age of 50 years. The outcome of this study will inform our decision making in combating avoidable causes of blindness in the Holy Land.

Our Strategic Plan 2020-2022 clearly identifies five strategic aims that seek to enhance the quality of patients' care, strengthen governance and partnerships, ensure sustainable funding, care for our staff and provide them with opportunities to develop and deliver excellent training, research and innovations.

We aspire to work with our partners to build upon our successes in 2019 and continually provide the highest quality eye care to combat preventable blindness and visual impairment.

A handwritten signature in black ink that reads "Andrew Cash".

Sir Andrew Cash OBE
Chairman

A handwritten signature in black ink that reads "Ahmad Ma'ali".

Dr Ahmad Ma'ali
CEO

HOSPITALLER'S REPORT



Three recurrent themes underpin the success of the St John Eye Hospital Group. These include the professional development of our staff, effective partnerships with the Pories and our supporters, and our reputation for ophthalmic excellence.

The importance of investment in our staff cannot be overestimated. It enriches the professional environment, elevates clinical standards and our reputation as a teaching hospital, and leads to new funding opportunities.

In this regard, SJEHG has had a most encouraging year. Of note, in 2019 the Swedish Order of St John, in partnership with St Erik's Eye Hospital in Stockholm, initiated a yearly medical exchange program. Dr. Rajaá Masri, one of our Jerusalem trainees, and Mr Saddam Hamoudeh, our deputy charge nurse, visited St Erik's in May. By partnering with our international colleagues we are consolidating ophthalmic expertise from across Pories and the Alliance Orders in support of our staff.

In recent years, we have welcomed more visiting experts than ever before. These include, among many others, Prof Lyndon da Cruz, a renowned retinal surgeon, Prof Richard Collin, a preeminent oculoplastic surgeon, and Dr Michelle Khan, a specialist from Toronto. Of note, Dr Khan will be leading the Canadian branch of the SOA, working alongside the new Vice-Patron for SOA-

Americas, Dr Michael Dan, CM, O.Ont. Furthermore, we are developing our artificial eye service in Jerusalem and Gaza, with assistance from colleagues at Moorfields Eye Hospital. Finally, this year sees the start of iYouth, the new young professional movement for SJEHG, and we wish them well as they inspire and coordinate the next generation. Details of all these professional exchanges can be found on www.SOA.global.

There are a great many exciting clinical and research developments happening at SJEHG, and I mention but a few below, with full details given elsewhere in this year's Annual Report:

- We have completed our Rapid Assessment of Avoidable Blindness study (see page 14) and the Diabetic Retinopathy Screening study in Gaza. (see page 15)
- Our Primary Eye Care services will be integrated into UNRWA clinics in the West Bank and Gaza.
- Our Genetics Research unit is now well established, thanks to an EU Peace Initiative grant, working in collaboration with the Hadassah Medical Organization. (see page 16)
- The Lions Club International Foundation has invested in our retinal department, giving our surgeons state-of-the-art equipment to treat our patients.

Thus, and despite the constant challenges we face, there are many exciting new developments which support our staff and develop our reputation for ophthalmic excellence. During my recent working visits to Gaza, I was reminded, yet again, of the dedication and skill of our employees, the pressing need and complexity of their patients, and our duty of support to them. We, as an Order, must strive tirelessly to ensure that they have the skills and equipment they need to treat some of the most disadvantaged men, women and children in the world. Thanks to the selfless dedication of our donors, our Pories, and our Trustees, we are able to give them this support, and continue to invest in their future, and thus the future of our Eye Hospital Group.

**David H. Verity, OSTJ MD MA
BM BCh FRCOphth
Order Hospitaller,
Chair, SOA**

I acknowledge with grateful thanks our supporters, confreres, consoeures, and colleagues around the world for their support, without whom the medical exchanges and events described in this article would not be possible.

COVID 19 MESSAGE

By Sir Andrew Cash, Chairman of the Board
and Dr Ahmad Ma'ali, Chief Executive Officer.

Although this Annual Report refers, principally, to 2019, we feel that it is prudent to share with our stakeholders an update on the impact of the COVID 19 global pandemic on our services.

The first case of COVID 19 was confirmed in Israel on 22nd February 2020 and the first case was confirmed in the oPt on 6th March. The Palestinian Authority declared a state of emergency and imposed a lockdown on all Palestinians, including severe movement restrictions. Beginning the 11th March, Israel began lockdown measures, including enforcing social distancing and other rules to limit the spread of infection.

Because of these lockdown measures, the access of patients to the Hospital facilities was severely affected. For the months of March and April there was a 70% reduction in all clinical activities in Jerusalem and the West Bank and a 30% reduction of clinical activities in Gaza. This, consequentially, reduced the Hospital patient related income by almost 60%. By mid-April, the Israeli government approved a series of steps to ease certain lockdown restrictions, including allowing group prayer, partial reopening of the economy, and fines for not wearing masks in public. Some coronavirus hospital wards started closing as cases declined. Similar steps were also approved by the Palestinian Authority.

After the month of Ramadan and the easing of certain lockdown measures, the Group's clinical activities started to see an upward trend and activities in Gaza, for example, were at full capacity by mid-June. In both the Anabta Clinic and Hebron Hospital, we witnessed a gradual increase in clinical activities and reached almost 90% capacity by end of June. Medical activities in Jerusalem also increased to almost 80% of normal levels by the end of June and surgical activities to almost 80% of the normal clinical activity levels.

The country was hit with a second COVID 19 wave in September and, as a result, the Israeli authorities imposed a lockdown on the 18th September for 4 weeks. As for the Palestinian Authority, no lockdown was imposed, except for specific areas with a high incidence of COVID 19. During the lockdown, clinical activities at the Jerusalem Hospital were at almost 70% capacity as compared with the same period of 2019. Clinical activities in both the West Bank and Gaza ranged between 80-85% as compared to the same period of last year. Since October, whilst certain lockdown restrictions remain in place both within Israel and the oPt, these capacity ranges have remained, at least, at comparable levels. The authorities keep all of these measures and restrictions under regular review.

On 18th December, The Palestinian Authority announced a new set of strict nationwide measures aimed at slowing down the rapid spread of the COVID 19 pandemic across Palestine. This was followed by similar measures by the Israeli authorities. SJEHG currently believe that this third lockdown will have an impact on activities similar to those experienced in September and October 2020. Accordingly, Management and the Trustee Board will respond to these lockdown measures with actions similar to those taken during the second lockdown to seek to ensure sustainability and financial resilience.

To address the impact of COVID 19 on the Group, SJEHG Management and the Trustee Board implemented some serious actions. For example, annual payroll costs were reduced by 8% in April and May 2020 alone. In addition, all variable costs have been reduced by almost 70%. We have also stepped up our fundraising activities and have, so far, secured 500k USD from emergency appeals.

The preparation and completion of this Annual Report and Financial Statements has, inevitably, been delayed due to the COVID 19 crisis.

Since March 2020, the Board of Trustees and Management have been working on flexible plans, both operational and financial, for the continued viability of the organisation.

Management has presented to the Board different future scenarios and plans for the impact of the COVID 19 pandemic in the country and how it may affect SJEHG and its financial status. Patient related income has significantly declined, as has voluntary income. However this is mitigated, in part, by savings on expenditures. Reserves have been utilised and cash flows have been managed.

These plans are clearly dependent upon a variety and number of key assumptions. For example, national and local Government decisions, travel and border restrictions, social distancing, capacity in our hospitals, the demand from our patients, our ability (and that of the PA) to obtain funding and donations, and our fixed and variable cost structure; to note just a few. Further details of the Group's principal risks and uncertainties are set out on page 34.

Based on these plans, the Board of Trustees are confident, at this time, of the Group's ability to remain as a going concern and have, therefore, prepared the financial statements on a going concern basis of accounting. Nevertheless, the Board of Trustees acknowledge that there is a level of uncertainty, which is likely to persist for some time, given the key assumptions and the financial modelling referred to above.

We are satisfied that the actions taken, so far, by Management and the Board have been effective in ensuring service sustainability and business continuity. We plan to work closely with all our global partners and supporters to seek to ensure that we continue to serve our patients in the most efficient and safe manner.

We currently remain confident about our future, but these are very challenging and unprecedented times for SJEHG and society in general; and are likely to remain so for quite some time to come.

SNAPSHOT OF 2019

We reached over 136,600 patients, performed almost 5,700 major surgeries and employed 264 people across our services.*

ANABTA CLINIC

We treated almost 18,000 outpatients at our Anabta Clinic.

17 staff members including 12 medical, allied health and nursing professionals.

GAZA HOSPITAL

We treated over 33,400 patients, and performed over 1,600 major operations which was a 37% increase on last year thanks to the opening of our second surgical theatre.

42 staff members, including 33 medical, allied health and nursing professionals.

MOBILE SERVICES (GAZA)

Our outreach services reached over 10,000 patients via our Mobile Outreach Programme, Diabetic Retinopathy Screening Programme and Rapid Assessment of Avoidable Blindness activity.**

JERUSALEM HOSPITAL

We treated over 50,300 patients in our East Jerusalem Hospital, and performed over 3,600 major operations.

189 staff members, including 111 medical, allied health and nursing professionals, and 6 nursing students.

MURISTAN CLINIC

We saw over 1,200 patients in 2019 in our mobile Old City School Screening project and Muristan Clinic.

HEBRON HOSPITAL

Our Hebron Hospital saw over 12,500 patients and performed over 450 major surgeries.

16 staff members including 12 medical, allied health and nursing professionals.

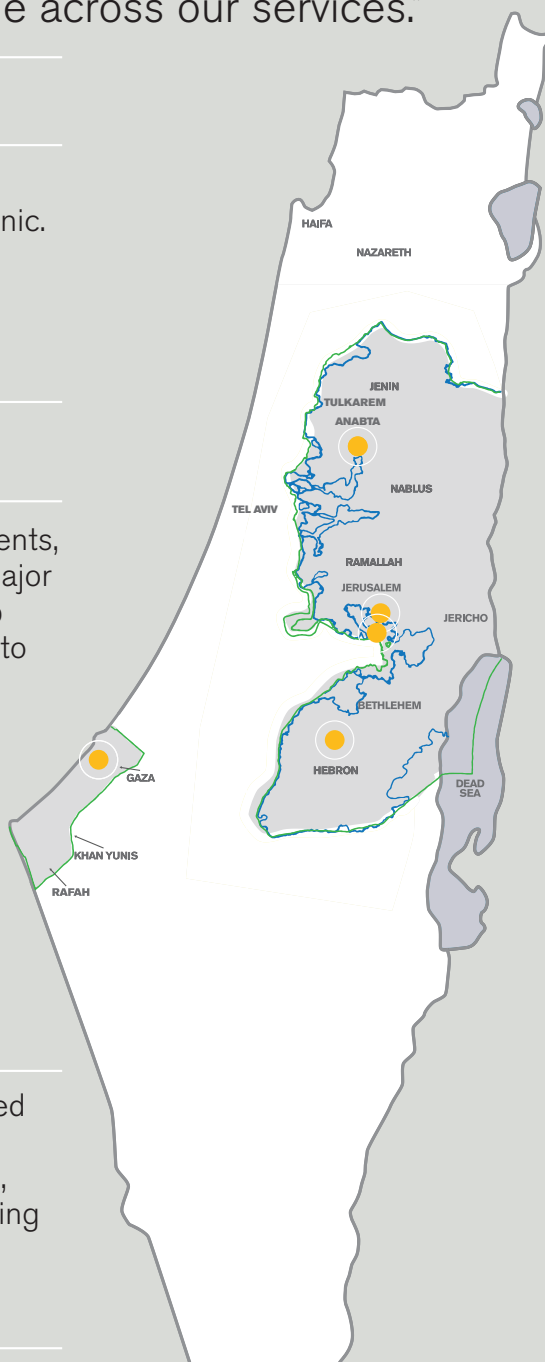
MOBILE SERVICES (WEST BANK)

Our Mobile Outreach Programme and Rapid Assessment of Avoidable Blindness study West Bank team screened over 11,000 patients. **

*Staff numbers do not include four London staff.

**Muristan and West Bank Mobile Services staff are counted in our Jerusalem Hospital figures.

*** Gazan Mobile Services staff are counted in our Gaza Hospital figures.



RUNNING COSTS 2019

| | £'000 | % needing covered by fundraising activities | % covered by patient income |
|--------------------|-------|---|-----------------------------|
| Jerusalem Hospital | 8,313 | 51% | 49% |
| Muristan | 92 | 98% | 2% |
| Outreach | 411 | 98% | 2% |
| Hebron | 664 | 12% | 88% |
| Gaza | 1,513 | 38% | 62% |
| Anabta | 559 | 28% | 72% |

OUR WORK

OPERATIONAL

ACCESSIBILITY:

Providing eye care to the most isolated and vulnerable people in the oPt.

QUALITY EYE CARE:

Using state-of-the-art techniques, infrastructure and standards to provide world-leading eye care to our patients.

TRAINING:

Investing in the local population to develop sustainable eye care services.

RESEARCH:

Establishing best practice for treating the eye conditions unique to the region in which we operate.

STRATEGIC

PARTNERSHIPS:

Developing alongside international partners in the global fight against preventable blindness.

REPUTATION:

Building on our history as part of the St John Family and as a centre of excellence to further our cause.

SUSTAINABILITY:

Ensuring a financially secure future, whilst maintaining eye care services for the population we serve.



ACCESSIBILITY

Providing eye care to the most isolated and vulnerable people in the oPt.

ISSUE:

Enabling access to eye care is a priority in tackling avoidable blindness. This is because many eye conditions are irreversible if not treated quickly.

Despite the clear evidence of the benefits in early intervention, primary ophthalmic screening services are often under-invested in by national health systems across the world. This remains true in the oPt and is exacerbated by access issues caused by the permit system, the Separation Wall and restriction of movement in both the West Bank and Gaza.

RESPONSE:

SJEHG increases accessibility to primary eye care by strategic placement of centres and outreach services across the oPt. You can see the full reach of our work in our map of centres on page 6 (Snapshot).

Our outreach teams, in particular, allow us to reach the most marginalised communities by taking our care where it is needed most. By partnering with general medical clinics, local councils and social societies we ensure that we reach as many Palestinians as our funding and time allows.

HIGHLIGHTS:

- Over 136,600 Outpatients were seen across the Group
- Over 21,100 seen on our Outreach, education and screening services, including 235 villages and societies
- Our Gazan Hospital saw a 10% increase in patients seen thanks, in part, to several mobile projects currently based there.

STATS:

80%
of blindness is avoidable or preventable.

Over 40%
of patients surveyed in Gaza hadn't had an eye screening in over 2 years, if at all.

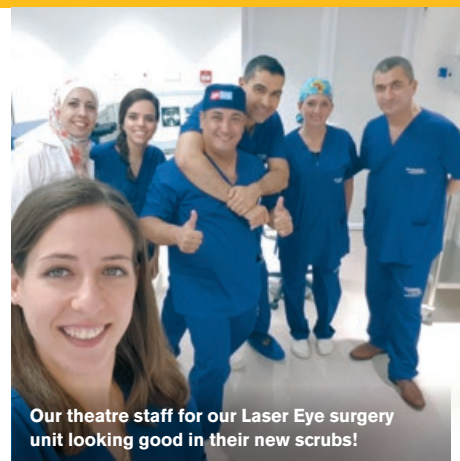


Mobile Outreach Nurse Naser Masarweh (let) unloads the Mobile Outreach van.

“The politics of the region mean that isolated communities are often left behind when it comes to medical care. By coming to them we are able to solve this issue. A memorable case from 2019 was a three-year-old girl, Hala, who came to a clinic with a myriad of issues – congenital anomalies, retinopathy, squints, cataracts. Her parents had avoided seeking treatment because they were poor. We assured them they could access care without needing to pay and referred them to Jerusalem for follow up treatment. She would have been fully blinded had they not attended our clinic.” Naser Masarweh, Mobile Outreach Nurse

QUALITY EYE CARE

Using state-of-the-art techniques, infrastructure and standards to provide world-leading eye care to our patients.



Our theatre staff for our Laser Eye surgery unit looking good in their new scrubs!



Our Jerusalem-based retinal specialist Dr Al Talbishi (fourth from right), with our Gazan theatre team. In 16 hours he performed 33 cataract surgeries, a feat made more impressive as it was during Ramadan.

ISSUE:

Many eye conditions need regular, advanced medical treatment to ensure that they do not cause lasting damage to the eye. A commitment to the highest standards of quality and comprehensive eye care is important in order to ensure patient and staff safety and the greatest chance of treating each case successfully.

RESPONSE:

Our Jerusalem Hospital was the first in the oPt to provide care for all 14 ophthalmic subspecialties (excluding oncology), achieve the Joint Commission International Accreditation (the gold standard for healthcare worldwide) and the ISO 9001:2015 Accreditation for Quality Control.

Our four satellite centres benefit from regular outpatient clinics run by our Jerusalem specialists. Much of the secondary care is provided from these centres. If there is a need for advanced treatment, patients will then be referred to our Jerusalem Hospital. We are also investing heavily in our ability to provide advanced subspecialty treatment in Gaza to the same level as the Jerusalem Hospital through training of Gazan staff and visits from Jerusalem-based consultants. This will ensure our most vulnerable population is not left behind in the fight against preventable blindness.

HIGHLIGHTS:

- 98% pass rate for our JCI Accreditation – our best result yet.



- Introduction of a Low Vision Clinic see page 13.

- The opening of a second theatre in our Gaza Hospital allowing for a 37% increase in surgeries there.

- The addition of new retinal services across Anabta, Jerusalem and Gaza thanks to equipment funded by Lions Club International.

- Our Jerusalem-based Consultants visited our Gaza Hospital 12 times performing 95 surgeries overall.



Our Jerusalem-based Oculoplastics specialist Dr Jaber with the Gazan theatre team on a visit in October 2019. In less than 72 hours he saw 89 patients and performed 12 advanced surgeries.

CASE STUDY: Mohammad from Gaza



However, a week later when Mohammad began bleeding from his eye, his mother took him straight to our Gaza Hospital who referred him for urgent care in Jerusalem. He was eventually diagnosed with both cataracts and panuveitis, a dangerous inflammation of the eye which can cause complete blindness if left untreated. Our Paediatric specialist Dr Habes has been treating Mohammed since his diagnosis. He has so far performed a lensectomy and anterior vitrectomy for both eyes and several surgeries to remove inflamed membrane.

An added stress to his treatment has been the need to secure permits for Mohammad and his mother to come to

Jerusalem for each surgery. On one memorable visit they were stuck in the hospital for nearly a month as they waited for Jewish holidays to pass and the checkpoints to open back up again. Although well looked after, it wasn't home for Mohammad or his mother, as she explains:

His mother explains:

'It is no secret what we are going through in Gaza, whether it is the protests, the

lack of electricity, the blockade, the continuous conflict ... Having a child with chronic eye problems and being forced to leave Gaza in order to get him suitable treatment is very stressful, but I cannot thank the team at St John enough for their excellent care.'

Mohammad's case demonstrates the need for us to develop advanced eye care within the Gaza Strip, to enable our patients to avoid this stress and delay every time they come for surgery. Overall it was a complicated case with a happy ending - Dr Habes and the rest of our team have almost fully recovered Mohammad's sight! This will give him the best start in life in a complicated region - all thanks to our donors.

Mohammad is a 4-month baby boy from the Gaza Strip who had a complicated start to life, as his mother explains:

'When he was born it was very hot and we had no electricity, so when he had red spots on his eyes they said it might be from the intensity of the labour and the heat.'

STATS:

45%

of patients and their companions in Gaza are delayed or denied access to treatment outside of their area (21% for West Bank patients)

TRAINING

Investing in the local population to develop sustainable eye care services

ISSUE:

World-leading eye care is impossible without staff trained to the highest standard, especially as the oPt is facing a nursing and doctor shortage. Previously, SJEHG relied heavily on expatriate doctors and nurses to run our services. However, this was not practical as staff would leave during times of conflict, resulting in our hospital being regularly short staffed or having to close its doors for weeks or sometimes months at a time.

RESPONSE:

SJEHG invests heavily in training the Palestinian population. Our ability to offer all 14 subspecialties of eye care (excluding oncology) is achieved through our Medical Residency Programme and Joint Teaching Programme. Our Residency Programme is the only training opportunity offered to Palestinians to specialise in ophthalmology. Once qualified, our specialists will work across our services and are given the opportunity to undertake fellowships in subspecialties at St John or in one of our partner organisations.

We offer up to ten places each year (subject to funding) at our prestigious Sir Stephen Miller School of Nursing. The school, which trains post-graduate ophthalmic specialist nurses, is accredited by the University of West London. This is complemented by a training programme for ophthalmic assistants in Gaza, as well as training general community health workers to identify and refer eye conditions to SJEHG centres. Since the 1980s we have trained over 250 ophthalmic nurses and nursing assistants in both Jerusalem and Gaza.

Those who stay with us have opportunities for further career development, and a number of our graduates are now in upper management positions across our organisation – the most notable being our CEO, Dr Ahmad Ma'ali, who graduated from the nursing school in 1993.



Fatmeh Ali in our Jerusalem Hospital

2019 marked the end of an era for a much loved and respected member of the team, Fatmeh Ali, who retired from St John after 47 years working in our Jerusalem Hospital. She lives in the famous Mosque of Omar complex in the Old City of Jerusalem, and will spend retirement helping to maintain the beautiful building.

Fatmeh won Nurse of the Year in 2016 for 'never getting a complaint in almost five decades'. She will truly be missed by all staff who have worked alongside her. We thank you Fatmeh for your dedication to our sight-saving mission and hope you enjoy a well-earned rest!

STATS:
Unemployment in the oPt overall is 31% and stands at

50%
in Gaza.

HIGHLIGHTS:

- **6** nurses graduated from the Sir Stephen Miller School of Nursing in 2019.
- **2** medical residents completed their training in 2019, one of whom now works in our

Hebron Hospital. Three medical residents continued their training.

- Our nurses and doctors attended professional development courses and conferences both in the oPt and internationally.

CASE STUDY: Ala' Nazzal, one of only two Low Vision Specialists in the oPt.

In 2019 we introduced a dedicated Low Vision Therapy unit to help such patients adapt to life without sight by giving them the tools and confidence to navigate this different way of living. It has been an exciting development for our hospital, and spearheading our efforts here is Ala' Nazzal, our Vision Rehabilitation specialist. She explains her role:

"I graduated as an Optometrist initially, but when I began working I noticed that the eye health system in Palestine completely lacked services for patients with permanent visual impairment. I sought to tackle this condition by gaining a specialised qualification in visual rehabilitation from a university in Jordan – and I remain only one of two people in the whole of the West Bank who is qualified in this speciality.



'Jana has been working with St John's Low Vision Rehabilitation Clinic for several months now.'

They have given her magnifiers for her books, telescopic glasses to see the school blackboard, red filter glasses to fix her light sensitivity, as well as advice for the school and at home such as using bold lined paper, felt tip pens, and to be seated in the front seat of the class. Altogether it has completely transformed how she lives and interacts with the world and her grades have improved too. We are very thankful for their help.'



St John Eye Hospital has been a great place to develop my career.

This organisation understands the importance of visual rehabilitation in improving the quality of life of patients. I was supported by the hospital to attend a specialised course to deal with patients with multiple disabilities. It has enabled me to adapt my care, testing and treatment to be suitable for all.

What I love about my job is seeing the happiness of my patients when their quality of life has dramatically increased. Recently, a mother came to our vision rehabilitation department

with a genetic disease that affected her central vision. She could not teach her three children because it is difficult to see the prints of the books, she couldn't see the temperature on her oven, or even the expiration date of the products. She was frustrated and depressed. We provided her with the tools to properly care for her family such as magnifying glasses and lighting. The whole family was happy because, by helping their mother, we were able to improve the quality of life for all of them!

RESEARCH

Establishing best practice for treating the eye conditions prevalent to the region in which we operate.



Our RAAB study team examine a patient in his own home.

RESPONSE:

1. Rapid Assessment of Avoidable Blindness Study (RAAB)

A Rapid Assessment of Avoidable Blindness (RAAB) is a population-based survey of adults aged 50 years and over, using rapid examination techniques. The oPt's second-ever RAAB concluded in May 2019.

ISSUE:

The Palestinian population has a rate of blindness which is ten times as high as in the West, but insufficient research has been conducted. This means those attempting to combat preventable blindness in the region have little understanding of where to focus their efforts.

This report had a number of helpful findings, especially compared with a similar 2008 study conducted by SJEHG. In the 2018 study it was found that untreated cataracts (38%) and diabetic retinopathy (24%) were the main causes of avoidable blindness in the oPt. However, in 2008, the percentage of untreated cataracts stood at 55% - suggesting that numbers of those suffering from this condition are falling. On the other hand, the percentage of those affected by diabetic retinopathy has risen from 8.3% to 24%, demonstrating that this is a growing issue for ophthalmic health in the oPt. These findings, and the rest of the study, will enable us to develop effective strategies for tackling avoidable blindness.

STATS:

Main causes of avoidable blindness:

38%
untreated cataracts
down from 55% in 2008

24%
diabetic retinopathy
up from 8.3% in 2008.

SJEHG thanks the Fred Hollows Foundation, CBM and German Ministry of Foreign Affairs for enabling this study to happen, and the London School of Hygiene and Tropical Medicine for their coordination and training.



Our diabetic retinopathy nurse screening a patient in the Al Rimal neighbourhood of Gaza City, October 2019

STATS:

In 2019, **6,551** were screened for diabetic retinopathy in Gaza

22 health centre workers surveyed on their knowledge of diabetic retinopathy

Over **60,000** patients screened for diabetic retinopathy by SJEHG across the oPt since 2012.

2. Diabetic Retinopathy (DR) Screening Programme

As evidenced in both of our RAAB studies the prevalence of diabetic retinopathy is a growing problem in oPt (see page 14). The current iteration of our DR Screening project, in Gaza was launched in 2016 in partnership with the Fred Hollows Foundation, CBM, and The German Federal Ministry for Economic Cooperation and Development (BMZ).

The first goal is to screen patients with diabetes in general UNRWA clinics in Gaza using portable Fundus cameras. Three UNRWA nurses have been trained to screen patients to ensure sustainability after the end of the project.

The second goal is to provide evidence on the effectiveness the current provision of healthcare for diabetes patients in Gaza. A mixed-method

approach is used to test this including:

- A study of the knowledge, attitudes, and practices (KAP) relating to diabetes and DR among health providers and diabetes patients in the Gaza Strip.
- An assessment of predictive ability of DR screening using a hand-held retinal camera (with the further confirmation diagnosis of DR carried out by ophthalmologists).
- Research to understand the extent to which payments for DR services in the Gaza Strip consume a household's available income resulting in patients being pushed into poverty.
- Work to identify financing models – if any – that can support universal access to care among people at risk of vision loss from diabetes in the Gaza Strip.

RESEARCH

Nurse Alice Aslanian, our research coordinator drawing blood from one of the patients with inherited retinal disease.



3. Genetic Research

'The Peace for Sight' Genetic Research project was a joint project between St John Eye Hospital and Hadassah Medical Hospital funded by the German Johanniter Unfall Hilfe and the European Union Peacebuilding Initiative which drew to an official close in May 2019.

The aim of the project was to conduct research into the management of inherited retinal diseases, which have a higher-than-average prevalence in the oPt due to the high proportion of consanguineous marriages.

Although the funding has drawn to its official close, thanks to the infrastructure, networks and training established our team are able to continue to conduct this vital research on a reduced capacity.

HIGHLIGHTS:

Over its four year period the project had several successes:

- The establishment of the oPt's first Genetic Research Laboratory
- Advanced training for four members of the research team, including a Retinal Genetics fellowship for Dr Al'la Talbishi
- Almost 400 patients with diverse inherited

retinal degenerations were identified and 45% were genetically diagnosed

- Attendance at several international conferences including the American Academy of Ophthalmology Conference in 2017, where we won best research poster
- Two joint research papers were published with colleagues in Hadassah.

CASE STUDY

Janat and Mohammad are siblings from Ramallah who suffer from Leber's Congenital Amaurosis, which causes severe vision loss and night blindness.



Father Wala' with daughter Janat and son Mohammad in our Jerusalem Hospital.

They have two older siblings who have already been fully blinded by this progressive condition. Their parents are first degree cousins which causes a myriad of health conditions in children, including a number of ophthalmic conditions.

Although this is a difficult situation there is some hope for the youngest two. Thanks to our Genetic Research clinic, the family were diagnosed with a mutation in the RPE65 gene, one of the only genes which has been approved for genetic therapy treatment. This treatment has the potential to prevent the condition from getting worse, though as it is at the cutting edge of ophthalmic care, nothing is certain.

Although it is a very expensive treatment, thanks to our donors we were able to offer testing and treatment to the family for free. The parents will also be able to use this diagnosis to take precautionary steps for any future children they may have.

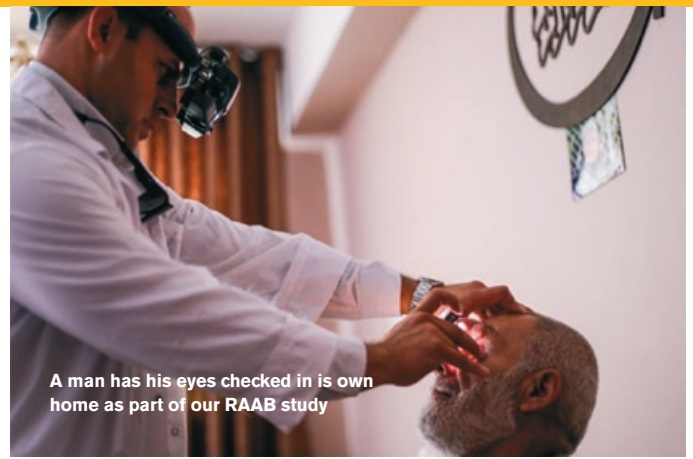
STATS:

Almost 50%

of marriages in the oPt are consanguineous. SJEHG has been spreading awareness of the dangers through social media and outreach sessions.

PARTNERSHIPS

Developing alongside international partners in the global fight against preventable blindness.



SJEHG continues to seek partnership opportunities in the Middle East and globally.

Technical Support and Grant Partnerships:

There are a number of other development organisations who collaborate with SJEHG on eye health projects across the oPt. We rely on their expertise or influence to deliver our services at the highest level. Several of these bodies are also donors, to see a full list of major donors in 2019 refer to page 59.



Training:

Partnering with the finest ophthalmic organisations is key to ensuring that our staff are the best equipped when tackling preventable blindness in the oPt. We enjoy a strong tradition of training our staff in a number of international organisations.



Local:

Our strategic partnerships with local authorities and health networks are vital to ensure an

integrated approach to eye health at the ground level. We have a Memorandum of Understanding in place with the Ministry of Health in both the West Bank and Gaza to ensure that patients who present with eye conditions at general clinics are referred to us for specialist treatment.



International:

We are also members of a number of international ophthalmic bodies which enables access and collaboration with a global network of organisations combating preventable blindness.



Accreditation:

Setting the highest quality standards is essential in order to ensure our patient and staff safety. We are delighted to have been accredited by the gold-standards for the quality of healthcare worldwide. You can read more on our efforts to achieve Quality Eye Care on page 10.



- Both our Sir Stephen Miller School of Nursing and our Medical Residency Programme are internationally accredited, ensuring that our staff are trained to the highest possible standard.



- We take transparency very seriously, following all UK guidelines to ensure both our accounting and fundraising practices are operating to the correct level. As such, we are registered with official charity bodies in the UK and are independently audited each year. To see our full fundraising statement see page 37, to see our Independent Auditors statement from PwC see pages 40 and 41.



SPOTLIGHT ON A PARTNERSHIP:



SJEHG has partnered with the Fred Hollows Foundation, since 2013. As the first organisation in the Middle East supported by the Foundation we are proud to showcase what impact we have been able to achieve together.

Their funded projects have enabled us to:

- deliver a comprehensive response to one of the most prolific eye conditions in the world, Diabetic Retinopathy. Our West Bank and Gaza Strip screening services have seen over 60,000 patients in total and allowed us to undertake vital research (see page 15 for more information).
- reach marginalised communities across the oPt through sponsorship of our Gazan and West Bank Mobile Outreach services as well as the operating costs of our satellite clinic in Anabta.
- better understand where best to focus our work through the funding of our Rapid Assessment of Avoidable Blindness study. This study will enable us to deliver effective, research-led eye care across the oPt. See page 14 for more information



Fred Hollows Foundation Deputy CEO, Nick Martin with Dr Ahmad Ma'ali outside our Jerusalem Hospital

- ensure sustainable eye care across the oPt by sponsoring the training of several eye care professionals and community health workers, including graduates of our Sir Stephen Miller School of Nursing
- develop our health care infrastructure by enabling us to purchase state-of-the-art equipment in both our Jerusalem and Gaza Hospitals
- partnering with us to deliver eye care in one of the most politically tumultuous areas of the world, the Gaza Strip, through a comprehensive project of eye health education, developing infrastructure, emergency preparedness, and funding the treatment of some of our poorest patients.

ANCP MONITORING VISIT

We were delighted therefore to be one of their partners showcased in the Australian NGO Cooperation Program (ANCP) in 2019, which is a partnership between the Australian Government and accredited Australian NGOs.

As part of the showcase, the ANCP were invited to visit our services to see first-

hand the value and impact of our work. After the visit, the Australian Department of Foreign Affairs and Trade issued a positive report including recommendations which SJEHG will implement. Vitally the report confirmed that our collaborative projects were:

“highly relevant to the needs of the Palestinian community... The professionalism, expertise and dedication of the SJEHG staff was evident, as was a strong partnership between the Fred Hollows Foundation and SJEHG.”

There is no doubt that our projects with the Fred Hollows Foundation have changed the lives of thousands of Palestinians and will have a lasting impact on the eye health of the oPt. We thank the Fred Hollows Foundation for their continued support and look forward to our future collaborations.

REPUTATION

Building on our history as part of the St John Family and as a centre of excellence to further our cause.

SJEHG enjoys a unique position as a foundation member of the Most Venerable Order of The Hospital of St John of Jerusalem, which was given Royal Charter by Queen Victoria in 1888. Our Sovereign Head is HRH Queen Elizabeth II and our Grand Prior is HRH the Duke of Gloucester. Our Royal connection has been reinforced over the years with visits to the hospital from the Duke of Edinburgh and the Duke and Duchess of Gloucester and, in 2018, a visit from the Duke of Cambridge, in the first official Royal visit to the Holy Land in over 70 years.

We rely on our reputation as a centre of excellence to enable us to deliver our services further and to a higher standard than anyone else in the region (for a full list of our accreditations please see our Partnerships page 18). Regular visits from internationally renowned ophthalmologists benefit both staff and patients alike. Our hospital also benefits from having a diverse Board of Trustees including the British Consul General to Jerusalem, HE Philip Hall OBE, who has been on our board since September 2017. Phillip shares his thoughts on working with SJEHG to the right. You can read his and other trustees' biographies on pages 26 to 29.

I had no connection with SJEHG before I was appointed Consul General in Jerusalem. I discovered and have grown to admire a truly excellent organisation. The expansion of the Eye Hospital Group to Anabta, Hebron and Gaza has enabled SJEHG to deliver eye care better and nearer to its patients. Wherever I have been in the West Bank and Gaza, I have found respect and affection for the charity. That confidence is well placed. The Hospital meets the highest international standards. Those I have met working for it are dedicated and committed to improving medical care.

Many people in the Holy Land dwell on the glories and grievances of the past and the fulfilment of prophecies in the future. The staff and supporters of SJEHG are refreshingly focused on addressing the human needs of the present. Those needs continue, and as governments do less rather than more to address them, the importance of the Eye Hospital increases. It is a pleasure to be a part of such an impressive team, doing such exceptional work.



“Few organisations have been in Jerusalem as long as St John of Jerusalem Eye Hospital, or are as widely appreciated. By providing treatment to all in need, the Hospital helps hold together a fragile mix of people. Its supporters are of different faiths, politics and beliefs for the future. They are united by their commitment to medical excellence and to reducing suffering.”

SUSTAINABILITY

SJEHG is committed to ensuring its sustainability by securing a financially stable future.

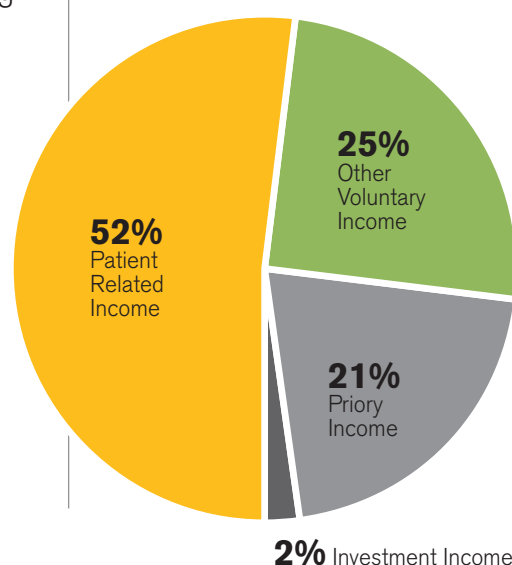
Unfortunately, we are operating in a politically volatile time and this has severely impacted our finances in the past few years. The unrest within the region and the shift in the international focus to other immediate humanitarian interventions has affected the level of donations received by the hospital.

The pre-Brexit period has caused a sharp depreciation in the Pound Sterling against all currencies, including the Israeli Shekel. The US Dollar is also depreciating against the Israeli Shekel. Thus, the hospital is affected by such movements in exchange rates as a substantial

proportion of our voluntary donations are received in these currencies.

Voluntary income continues to be a critical source of funding for our charity. During 2019, funding from our donors amounted to £5,693,000 equating to 46% of incoming resources; while £6,296,000 constituting 52% of total incoming resources, was generated from our charitable activities (patient related income). The remaining 2% of incoming resources related to income from investments.

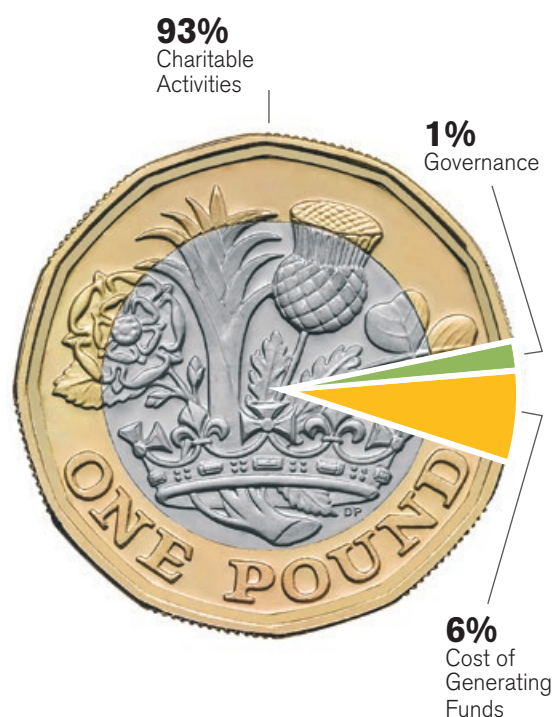
We therefore remain dependent on our many supporters, to whom we are enormously grateful. We hope to achieve more together in the future.



STATEMENT OF FINANCIAL ACTIVITIES 2019

| Incoming Resources: £12.2m | GBP £000 | USD \$000 | % |
|-----------------------------------|---------------------|----------------------|----------|
| Patient Related Income | 6,296 | 8,040 | 52 |
| Priory Income | 2,590 | 3,307 | 21 |
| Other Voluntary Income | 3,103 | 3,963 | 25 |
| Investment & Other Income | 225 | 287 | 2 |
| Total | 12,214 | 15,597 | |

| Resources Expended: £12.2m | GBP £000 | USD \$000 | % |
|-----------------------------------|---------------------|----------------------|----------|
| Charitable Activities | 11,259 | 14,378 | 93 |
| Cost of Generating Funds | 728 | 930 | 6 |
| Governance and Other Expenditure | 185 | 236 | 1 |
| Total | 12,172 | 15,544 | |



REPUTATION

Visits from across the World:

We welcome visitors from all of our partner organisations and beyond. If you are interested in our work please get in touch to arrange a visit by emailing danial.omari@sjeh.org. See below for the testimonials of our 2019 visitors.



The Brooks's Club Group led by David Wills

On Wednesday November 20th 2019 a group of twenty five members and wives from Brooks's Club in London was welcomed at the Eye Hospital by our CEO, Dr Ahmad Ma'ali. We enjoyed the presentation about the work of the hospital, and we enjoyed a most interesting tour that really connected us to the work of the hospital. We have a very close relationship with the Hospital, a previous chief executive is a member and other connections include that HM the Queen is the Sovereign Head of the Order and that Philip Hall, the UK Consul-General in Jerusalem, is one of the charity's twelve Trustees.



Staffordshire and Shropshire Knights Templar Visit to the Eye Hospital in Jerusalem.

After many years of supporting the Eye Hospital, we enabled four St John cadets to visit and gain valuable and worthwhile work experience. A delegation

of 23 from the Province visited the Eye Hospital and the "Tree of Hope" in late 2019. We had an extremely enjoyable time when in Jerusalem, but the highlight was our visit to the Eye Hospital. We learnt about the issues that the Hospital deals with on a daily basis, followed by a "tour" of the various departments.

Our ongoing memories of the Hospital are of the calm professionalism, dedication and focus that all of the staff have regarding their interactions with those in need and their ready smiles put everyone at ease.
Ralph Ritchey, Eminent Knight and Provincial Marshal for the Province of Staffordshire and Shropshire



“I hope to return to the Hospital in the not too distant future and, in the meantime, will continue to keep it in my regular prayers and also continue my support.

The Reverend Dr. Russell J. Levenson, Jr., Rector, St. Martin's Episcopal Church

The Reverend Dr. Russell J. Levenson

“I have been a member of the Order of St. John since 2015 and I have been most drawn to the work at the Eye Hospital in Jerusalem. It was a real gift to be able to visit during the Lenten season of 2019. My wife, Laura, and I met the CEO and CFO, physicians, nurses – they are really making a tangible difference in the lives who come seeking care. We were also fortunate to meet a number of patients.

We were very struck by the vibrant and buoyant spirit of the staff of the Hospital. Not only was everyone very committed to the Mission of the Order and the Hospital, but it was clear how much they enjoyed their work.

What a gift SJEHG is to those it serves.

Upon returning to the United States, and back to my work as Rector of St. Martin's Episcopal Church in Houston, Texas; it was with great delight that, along with my prayers for the Hospital, I was able to send a tangible gift of financial support from our Church to carry forward the vital work being done.”

Visits in order of date visited:

Mr. Patrick Miller & cousin, US Priory, Brooks's Club Led by David Wills, Knights Templar Provinces of Staffordshire, Shropshire and Sussex, KT Group led by Ralph Ritchey, Cadets Sheila Thorpe and Lauren Wilkinson, Colonel (Retd) Sheena Davies RRC, DStJ, DL., Sarah Duthie, Director - Priory of England, Prof. Paul Bailey, Clinical Services Director - SJOG Ambulance WA, Prof. Judith Finn, Director: Prehospital, Resuscitation & Emergency Care Research Unit (PRECRU) at Curtin University, Prof Lyn Beazley, former Chief Scientist WA, current Chairman - Royal

Perth Hospital Research Foundation, Jocelyn Young, CEO-Royal Perth Hospital Research Foundation, New Zealand Priory Group led by Ian Rea, Susan and John Michaelson, US Priory members – volunteers, June Pierce, Supporter, Rev Niall Johnston, Chaplain to the London Provincial Prior's Bodyguard, Mr. & Mrs Nils Bildt, St John Order of Sweden, Rev Dr. Levenson and wife Laura, US, Dr. Moemen Al-Reefy, Consultant Ophthalmologist-Bahrian, Mr Andrew Smith and Sally Alice, Florida, Dr. Steve Lommel, US Priory, Ilan Bass, R. Bass Foundation, David Verity and Family, Sir Andrew Cash, Chairman



REPUTATION

Experiences of a Lifetime



In 1965 St John Australia Nurse Rosetta Clark embarked on a journey to the Middle East to serve with St John Eye Hospital. In 2019 she shared an incredible album of her time with us.

Thank you Rosetta for sharing your memories and for your time in service with St John.

If you have archive photography of our hospital in action, or would like to arrange a volunteering visit to our hospital please contact info@stjohnseyehospital.org
See more on visits to Jerusalem on pages 22 and 23.

In 2019 St John Cadet Lauren Wilkinson and Unit Manager Sheila Thorpe volunteered across our services. They shared a diary of their experience in our Winter 2019 Jerusalem Scene. St John cadets are welcome to visit our services, as well as volunteer (dependent on level of medical training).



TRUSTEES AND COMMITTEE MEMBERS



Sir Andrew Cash OBE KStJ (Chairman)



Sir Andrew joined the NHS as a fast track graduate management trainee and has been a chief executive for more than 20 years. He has worked at the local, regional and national level. He has worked by invite at the Department of Health Whitehall on a number of occasions. He is a visiting Professor in Leadership Development at the Universities of York and Sheffield. Sir Andrew was Chief Executive of Sheffield Teaching Hospitals NHS Foundation Trust from 2004 to 2018 and is currently the part time Chief Executive of the South Yorkshire and Bassetlaw Integrated Care System. He joined the SJEHG Board as Chair in September 2018.

Mr David H Verity OStJ, MA (Oxon), MD (Lon), BM BCh, FRCOphth (Order Hospitaller)



Mr David Verity was appointed to the Board in June 2016, and became the Order's Hospitaller in September 2018. He is a surgeon at Moorfields Eye Hospital, the

President of the British Oculoplastic Surgery Society, the Treasurer for the European Society (ESOPRS), and immediate past Editor in-Chief of the international journal 'ORBIT'.

In 2015, with the ophthalmic Hospitaliers of the Order, he founded the St John Ophthalmic Association (SOA), a professional organisation dedicated to the postgraduate work of SJEHG. The SOA is formed of 5 world-wide hubs, engaging medical expertise across the Pories and supporting our staff with training courses and medical exchanges. As a surgeon, he also undertakes regular working visits to our hospitals in Jerusalem and Gaza.

Mr Nicholas Goulding

CStJ BSc FCA CTA (Fellow) ATT
(Treasurer)



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,

Winchester Deanery Synod and a Governor of Lord Wandsworth College. He was first appointed to the board in August 2012.

Dr Maged Abu-Ramadan

KStJ MD FRCSEd



Dr Maged Abu-Ramadan 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. 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. Maged became a member of the board in April 2013.

Dr Anne Coleman OStJ MD PhD



Dr. Anne L. Coleman is the Hospitaller for the St John Priory in the USA, helping to form a strong link between the Priory and SJEHG. Dr Coleman is Professor of Ophthalmology at the UCLA

The trustees of the charity, who are also the directors for the purposes of company law, during the year and, at the time of this report, are listed below:



Stein Eye Institute of the David Geffen School of Medicine and also a Professor of Epidemiology at the UCLA Fielding School of Public Health. She is Vice-Chair for Academic Affairs for the Department of Ophthalmology and Director of the SEI Center for Community Outreach and Policy. She is currently the President of American Academy of Ophthalmology and Director of the H. Dunbar Hoskins, Jr, MD Center for Quality of Eye Care, which is responsible for the patient care guidelines and public health outreach of ophthalmologists in the USA. Anne has been a member of the board since June 2014, and resigned in September 2020. She was replaced by the new US Hospitalier, David Pyott OStJ, CBE.

Ms Susan Dingwall OStJ



Susan Dingwall is a partner and corporate counsel of the international law firm, Norton Rose Fulbright LLP, specialising in insurance and risk issues. She 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. Her tenure on the board has been since August 2011.

HE Philip Hall OStJ OBE



Philip Hall has been British Consul General in Jerusalem since August 2017 and joined the Board of Trustees for SJEHG in September 2017. Before this, he led the Spending Review at the Foreign & Commonwealth Office. From 2012 to 2015, he headed the FCO's Counter Proliferation Department, leading the UK Government's work to prevent the spread of chemical, biological and nuclear weapons. He was Defence Counsellor in the UK Delegation to NATO from 2008 to 2012 and headed the FCO's Middle East Peace Process Section from 1999-2001. He is a solicitor, completed postgraduate studies in European law and integration in Germany, and has a Masters in Public Policy from the London School of Economics.

Mr Jamie Ingham Clark CStJ FCA



Jamie Ingham Clark joined the Board in September 2017, having

spent three years as a co-opted member of the finance committee. Jamie is a chartered accountant and his career developed within the London Insurance Market where he has had many years of Board experience both as Finance or Compliance Director. In 2013, he became an elected member of the City of London Corporation and is currently the Deputy for the Ward of Billingsgate. Amongst other committees, he is the Deputy Chairman of its Finance Committee with its responsibility for the City finances. He has also been a member of the Order of St John Ceremonial Staff since 1981, where he is currently Sword Bearer, and is a Liveryman of the Clothworkers' Company.

Mr Timothy Jones



Tim Jones joined the Board in November 2019. He is a retired solicitor. Tim is Chair of the trustees of homelessness charity The Connection at St Martins and of Access Sport, a charity providing sporting opportunities for disabled and disadvantaged young people. He is a trustee of Safer London, a director of the Sport



and Recreation Alliance and a school governor. Tim was formerly a partner in the law firm Freshfields Bruckhaus Deringer LLP working on a wide range of corporate and commercial projects internationally. He was managing partner of the London office between 2007 and 2011 and worked in the Madrid office between 1994 and 2000. Upon retirement from Freshfields he became General Counsel of England 2015, the organising committee for the Rugby World Cup.

Mr John Macaskill OSTJ



John Macaskill was a Founding Partner and Managing Director of Groton Partners, a Private Equity firm based in New York. Mr Macaskill joined Groton Partners in March 2005 and focused his efforts on alternative investments, including Private Equity. Mr Macaskill is a General Partner in a number of private equity and real estate funds and has spent the last forty years in the financial services industry in New York and London. He serves as a Director to the Edinburgh International Festival American board, and he is a member (retired) of the Institute of Chartered Accountants of Scotland, and a Chapter Member

of the Priory in the United States of the Order of St John. He joined the board in January 2018.

Mr Guy Morton OSTJ MA



Guy Morton is a solicitor and was, until his retirement, a partner in Freshfields Bruckhaus Deringer LLP, with a practice specialising in banking and financial law and the regulation of financial markets. He was Joint 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 Morton was appointed as Acting Chairman from January 2018 until the appointment of Sir Andrew Cash in September 2018. He first joined the board in June 2011.

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. Nicki's appointment to the board was in September 2012.

Mr Herbert von Bose



Herbert von Bose is a lawyer and has worked for the European Commission in Brussels since 1983 where he rose to become the Director for Industrial Technologies. He joined the Johanniterorden in 1984 and was chairman of the Brussels Johanniter Group from 2002 to 2012. Since 2014, he has been Governing Commander of the Balley and is responsible for international affairs. Herbert joined the board in June 2014.

CO-OPTED COMMITTEE MEMBERS WHO ARE NOT TRUSTEES

Mr Ken Baksh



Ken is an investment consultant with over 40 years' experience.



Mrs Georgie Brookes MStJ

● Guild Supervisory

Georgie is Chair of SJEHG Guild and Guild Member for 20 years. Formerly at Mayfair Capital and currently Finance Manager at the Mango Tree OSP.

Mr Mark Cannon Brookes OStJ

● Investment

Mark retired as an investment director of Smith & Williamson in 2017. Previously he was also Chairman of CG. Asset Management and Chairman or board member of numerous other investment companies with over 56 years in the city. Mark resigned from the Investment committee in May 2020.

Mr Thomas E.K. Cerruti Esq, OStJ

● Fundraising

Thomas is a lawyer, Executive Director of the Shiley Foundation and trustee. He is a member of the Priory of the USA.

Mrs Julia Corkey MStJ

● Guild Supervisory

Julia is the Vice-Chairman of the SJEHG Guild. She was a senior British public servant for over 20 years and is currently Chief Executive of ICC Belfast, Waterfront and Ulster Halls.

Mr Kevin Custis

● Investment

Kevin is a registered trust and estate practitioner, Legal Executive and the chair of the London Central Branch of the Society of Trust and Estate Practitioners (STEP).

Sir Vincent Fean OStJ KCVO

● Fundraising

Sir Vincent is the former Consul General, Jerusalem, and a former member of the Fundraising Committee of SJEHG. Sir Vincent resigned from the committee in June 2019.

Mr Anzo Francis

● Finance

Anzo is an ICAEW Chartered Accountant and Director of Finance of Water & Sanitation for the Urban Poor.

Mr Nigel Graham Heath CStJ

● Finance

Nigel is a businessman, investor and treasurer of the Priory of the USA.

Mr Philip Hardaker KStJ FCA

○ Honours & Awards

Philip is a Chartered Accountant and former partner with KPMG, and a former Chairman of SJEHG. Philip Hardaker resigned from committee in September 2019.

Mr Timothy Walker CB

● Audit

Timothy is a retired British Civil Servant, formerly serving as Director General of the Health and Safety Executive.

*Staff figures do not include 4 London fundraising staff.

KEY:

- Board
- Steering
- Finance
- Audit
- Investment
- Clinical Governance
- Fundraising, Marketing & Communication
- Strategy & Planning
- Payroll and Remuneration
- Human Resources
- Honours & Awards
- SOA
- Guild Supervisory

GOVERNANCE STRUCTURE

Kareem was bullied for his squint until he had corrective surgery at St John. He is now able to focus on the important things, like becoming a robot engineer and improving his Dabke (a Palestinian folk dance).



BOARD COMMITTEES:

Steering

Finance

Audit

Investment

Clinical Governance

Fundraising, Marketing
& Communication

Strategy & Planning

Payroll and Remuneration

Human Resources

Honours & Awards

SOA

Guild Supervisory

The Committee Terms of
Reference were updated in 2019.

SJEHG is a company limited by guarantee in England. 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 and Muristan Clinics, as well as the Mobile Outreach Programme. The Board also considers and approves the operational and capital budgets. The Board Committees focus in detail on their areas of responsibility and report back to the Board. 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 and within its Articles of Association. New Trustees are selected by the Board to maintain an appropriate balance of skills, experience and diversity. 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 Trustees. The Board of Trustees delegates responsibility for the daily management of the Charity to the Chief Executive, Dr Ahmad Ma'ali and Mr Peter Khoury, who was Joint Chief Executive until May 2019.

THE CHIEF EXECUTIVES



Dr Ahmad Ma'ali

CStJ PhD MPH BSN PGCE ENB

CEO

Dr Ahmad Ma'ali joined the Hospital family in 1990 as a student nurse, successfully completing his secondment at Greenwich University in 1996 followed by a six months postgraduate specialist ophthalmic nursing course at London's Moorfields Eye Hospital. In 1999, he was certified with a Nurse Tutor Diploma by the Bolton Institute. Thereafter, he returned to Jerusalem where he assumed the role as clinic Charge Nurse for one year, and in 2000 took responsibility of course leadership at the Sir Stephen Miller School of Nursing. For nine years, he continued to act as Nursing School Director, infection control and clinical services coordinator, also gaining a master's degree in Public Health Management at Al

Quds University in 2003. In May 2009, Dr Ma'ali made Hospital history as the first Palestinian Nursing Director at the School. In 2017, he attained a PhD in advanced Nursing practice at De Montfort University and, after 10 years as Director of Nursing and Allied Health Professions building relations with staff, students and patients, he was appointed as an interim Joint CEO with Peter Khoury in September 2017. In May 2019 Dr Ma'ali became our first Palestinian CEO.

Mr Peter Khoury CStJ BSc CPA

Former Joint CEO for Financial and Administrative Affairs, Director of Finance

Peter Khoury joined SJEHG as Deputy Financial Controller in 2008, and became Financial Controller in 2014. He gained his financial qualifications at North

Park University in Chicago where he earned the prestigious 'Who's Who Among Students in American Universities' award for outstanding academic achievement. Peter was an auditor for KPMG, and Accounts Manager at The Lutheran World Federation / Augusta Victoria Hospital. Peter is also a member of the American Institute of Certified Public Accountants, The Texas Society of Certified Public Accountants, and the Arab Society of Certified Accountants. He was appointed Joint CEO in September 2017 and stepped down in May 2019. He is currently the Director of Finance for SJEHG.

PUBLIC BENEFIT

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

ethnicity, religion, social class or ability to pay.

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, the Anabta and Muristan Clinics and the Mobile Outreach Programme;
- b. the exemption of patients' charges when the relevant authority does not finance the treatment and the patient is unable to pay all or part themselves;

- c. the teaching and training activities at SJEHG, which enhance the quality of service delivered and increase the pool of qualified ophthalmologists, specialist nurses and allied health professionals within the region;
- d. the research into endemic diseases affecting the Palestinian population; and
- e. our services enhance education and employment prospects and contribute to economic growth.

STRATEGIC VISION:

January 2020 to December 2022

Our three-year strategic plan 2020 - 2022 will enable us to attain our mission as a centre of excellence providing ophthalmic care of high quality to the people of the Holy Land irrespective of race, creed, social class or ability to pay. This strategy will enable us to continue Saving Sight, Changing Lives and to uphold our CARE values:

CARE

Compassion

Providing eye care with empathy and willingness to promote wellbeing

Accountability

Accepting responsibility for continuous performance & improvement, embracing change & seeking new opportunities to serve

Respect

Honouring the dignity and diversity of each person

Excellence

Providing exceptionally high quality and advanced care

The strategy outlines our clear vision to work with partners to eliminate causes of avoidable blindness in the Holy Land through five distinct strategic aims:

Patient-Centered Services

Putting patients first - reaching out to the most isolated and marginalized individuals in our community and ensuring quality care and patient safety.

SJEHG will build on its JCI re-accreditation to continually strengthen standards and protocols on quality care and patient safety. We will conduct regular service audits, patient satisfaction surveys and develop

pediatric services in Gaza. Our priority is to establish outreach services to overcome permit related accessibility issues and patients located in more isolated communities.

Care for our Staff and Employ Caring Staff

Investing in our most valuable asset – our staff. Promoting local talent and supportive working environments whilst developing training opportunities towards a sustainable, talented workforce. Our staff are our most valuable asset and we will continue to empower and support them to reach their full potential. We will create a culture of transparency, initiate a Hospital-wide pay scale and ensure employees have an annual development plan in response to appraisal processes. Female staff will be encouraged to take leadership roles and we will facilitate training and fellowship opportunities in Gaza and Jerusalem for corneal to oculoplastic specialisms.

Sustainability

Building on a decade of growth by diversifying our funding sources so that we continue to reach more patients with quality services, and ensure a financially secure future.

We have expanded our services over the past 10 years to reach more patients and we will sustain these achievements by diversifying our sources of funding across patient, major donors and Priorities income. We will do this by reviewing contracts with all Israeli sick funds, implementing non-clinical income generating projects and competing for paying customers with services driven efficient hospital-wide processes.

We aim to increase hospital related income from 53% to 57% by 2022.

Governance and Partnership

Building international partnerships and strengthening governance structures to mitigate risks and ensure best practice.

The hospital management will further strengthen its governance structure across its sites and continue to conduct audits to control risks and prevent any undesired outcomes. We also aim to strengthen partnerships with major donors and pertinent service providers and stakeholders such as Palestinian Ministry of Health, Afoula Hospital, as well as brokering agreements with Hospitals in Israel and overseas.

Excellent Education, Research and Innovation

The country's main provider of ophthalmic training for the medical, nursing and allied health sector, leading on excellence in research, innovation and medical education.

We are the main provider of medical, nursing and allied health professionals' ophthalmic training in the country. We will seek funding for clinical research, and to achieve the American Council of Medical Graduate Education accreditation. We will capitalise on our achievements in research, innovation and education by sharing our knowledge on genetics research and findings from the SOA annual summit to conducting RAAB in children. By 2022, we will produce at least 10 scientific publications and have assured that our six medical residents are successful in their in national exams.

STRATEGIC REPORT:

Financial Review: Achievements and Performance in 2019

For the year ended 31 December 2019, incoming resources amounted to £12.2m, (2018, £12.1m) while resources expended amounted to £12.2m (2018, £11m). This resulted in a surplus of £0.04m (2018, £1.1m) before taking into account realised and unrealised gains on investments of £0.8m and exchange gains of £0.3m. Overall fund balances accordingly increased by £1.2m in the year to £18.8m at year end.

During the year patient-related income increased as we performed more surgeries within the group. Additionally, the refractive suite has generated higher income than 2018. Within voluntary income, donations from St John Pories increased from £2.1m in 2018 to £2.6m in 2019.

Expenditure on charitable activities amounted to £11.3m, being 92% of total resources expended. These costs include running the hospitals in Jerusalem, Hebron and Gaza, the Anabta Clinic, the Muristan Clinic and two Mobile Outreach Units, the cost of teaching and training during the year for doctors, nurses and allied health professionals, and the running costs of the genetics laboratory and the refractive suite. The expenditure on charitable activities is primarily personnel costs which make up 56% of the total cost (2018, 57%). Operating costs were contained through the continuation of enhanced cost controls introduced in earlier years.

Costs of generating funds constituted 6% (2018, 6%) of total resources expended and are the costs of the London-



One of our patients enjoying a World Orthoptics Day awareness and education session in our Jerusalem Hospital cloisters.

based fundraising team and the Jerusalem-based fundraising and projects team in addition to carrying out various fundraising events. Governance costs amounted to 2% (2018, 2%) of the total resources expended and reflect the international nature of the charity's activities and governance arrangements.

Total voluntary income decreased to £5.7m (2018, £6.6m) representing 46% (2018, 54%) of the incoming resources. Donations included £0.6m (2018, £1.3m) restricted for capital projects and medical equipment, in addition to £2.6m (2018, £2.1m) donated by the Pories of The Order of St John. Overall, the value of capital projects completed during the year amounted to £0.6m.

Funds generated from charitable activities (mainly patient income) amounted to £6.3m and constituted 52% (2018, 43%) of total incoming resources. The remaining 2% of incoming resources related to income from investments.

During 2019, the PA continued transferring a monthly partial payment (in the range of 40% of

the monthly billings). However, due to the political unrest within the region, there are doubts about the ability of the PA to continue paying the hospital on a regular basis. Funding this level of debt impacts on SJEHG's cash flows and it is ameliorated, to a certain extent, when the European Union pays a substantial part of the PA's 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 seeking to maintain 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.

STRATEGIC REPORT:

Financial Review: Achievements and Performance in 2019

RESERVES

At 31 December 2019, SJEHG had total funds of £18.8m (2018, £17.6m). This comprised permanent endowments of £7.2m (2018, £6.7m), £0.6m (2018, £1.4m) in restricted income funds, and £11m (2018, £9.5m) in unrestricted reserves, of which £4.4m (2018, £2.8m) is 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 considers 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 £6.5m) to ensure that SJEHG can continue to run efficiently with adequate working capital. It is intended to achieve this through a continuing focus on cost-cutting, revenue generation, the introduction of new sources of revenue, and enhanced fundraising activity in order to ensure financial resilience and sustainability for the future.

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, in particular by the impact, most recently, of the Covid-19 global pandemic. The position has been exacerbated by Brexit and the impact of the continuing reduction in value of Sterling against the Israeli Shekel, by changes to the statutory level of minimum wages in Israel, and also by the US Administration's decision to cut funding to East Jerusalem hospitals. SJEHG relies heavily on voluntary income received mainly from donors in the Middle East, Europe, the United Kingdom 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 its working capital needs. SJEHG therefore 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. It should be recognised that exchange gains do not represent realisable income which are capable of being utilised by

SJEHG, as they largely reflect the translation into Sterling of the Israeli Shekel value of the Hospital premises.

Operationally, patient and staff access to Jerusalem is crucial to the continuation of our ability to provide eye care services in 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

Since March 2020 and the onset of Covid-19 in Israel and the oPt, the Board of Trustees and Management have been working on flexible plans, both operational and financial, for the continued viability of the organisation. We currently remain confident about our future, but these are very challenging and unprecedented times for SJEHG and society in general; and are likely to remain so for quite some time to come. We plan to work closely with all our global partners and supporters to seek to ensure that we continue to serve our patients in the most efficient and safe manner.

Detailed, yet adaptable, business plans have been prepared, along with financial budgets and cash flow models. These plans are clearly dependent upon a variety and number of key assumptions. For example, national and local Government decisions, travel and border restrictions, social distancing, capacity in our hospitals, the demand from our

patients, our ability (and that of the PA) to obtain funding and donations, and our fixed and variable cost structure; to note just a few. Further details of the Group's principal risks and uncertainties are also set out on page 34.

The plans and models have been prepared for the period to December 2022, which is a period of at least 12 months from the date of approval of the financial statements. Sensitivity analysis has been assessed on these key assumption alongside the financial effects thereon; being reasonably plausible downside scenarios based on information currently available. Further details of the above are set out in Note 1 to the financial statements.

Based on all of the above, the Board of Trustees are confident, at this time, of the Group's ability to remain as a going concern and have, therefore, prepared the financial statements on a going concern basis of accounting. Nevertheless, the Board of Trustees acknowledge that there is a level of uncertainty, which is likely to persist for some time, given the key assumptions and the financial modelling referred to above.

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, the Human Resources, and the Pay and Remuneration Committees 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.

GUIDE TO SJEHG'S FINANCES

The aim of this note is to summarise the key points to an understanding of the

complexities and vulnerabilities of SJEHG's financial position. More detailed information is set out below, but the key features which can obscure the financial difficulties/pressures on the operating budget are –

- capital donations are treated as income (in accordance with the Charities Statement of Recommended Accounting Practice),
- exchange rate variations: these have recently arisen mainly from the depreciation of the Pound Sterling against the operating currency (Israeli Shekel) (which was particularly marked in 2016, when the Brexit vote resulted in a rapid depreciation of almost 20%, but has in fact been a continuous process over at least the last five years), and have also included a depreciation of the US Dollar against the Israeli Shekel,
- The exchange gains or losses apparent from the annual results shown in the financial statements do not represent realisable amounts which are capable of being utilised by SJEHG. They are largely derived from the translation into Pound Sterling of the Hospital premises with an unchanged Shekel valuation.

TABLE OF ADJUSTMENTS 2019

| 2019 | in £'000 |
|--|----------|
| Net (outgoing)/incoming resources per Statutory Financial Statements | 1,177 |
| Reconciling Items | |
| Donations for Capital Projects | (557) |
| Unrealised gain on Investments | (811) |
| Exchange Gains | (324) |
| Net Operating Results | (515) |
| Less: Outstanding Restricted Income | (358) |
| Actual Net Operating Results | (873) |

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 Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

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 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). 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 Statement of Recommended Practice:

Accounting and Reporting by Charities (2019);

- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

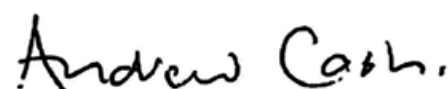
They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

In so far as the Trustees are aware at the time of approving the Trustees' Annual Report: (a) there is no relevant audit information of which the charitable company's auditors are unaware; and (b) the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The Trustees' Report on pages 6 to 36 was approved by the Trustees and signed on their behalf by:



Sir Andrew Cash, Chairman,
St John of Jerusalem Eye
Hospital Group
Charity no. 1139527
Company no. 7355619
31 December 2020

FUNDRAISING STATEMENT



Ritaj receives regular treatment for her squint in our Hebron Hospital.

SJEHG as a charity with income over £1m is required to make a statement regarding its fundraising activities in accordance with the Charities Act 2016.

Fundraising activities are carried out on behalf of SJEHG by our own in-house fundraising staff and by volunteer fundraisers. We do not consider volunteer fundraisers to be acting as legal representatives for the charity as we have not formally contracted them to fundraise on our behalf.

Our small team of in-house fundraising staff are fully trained on fundraising regulations and have been made aware of relevant policy procedures. We ensure that we protect vulnerable persons from unreasonable intrusion into their privacy, persistent approaches or undue pressure to give by using a personal approach to fundraising. We do not use professional fundraisers or commercial participants in any of our activities and we are registered with the Fundraising Regulator.

No complaints were received by SJEHG in relation to its fundraising during the relevant period and, after due enquiry, we are not aware of any breaches of the regulations of the Fundraising Regulator committed by SJEHG.

For the 2019 financial year we are required to report on how the Board of Trustees has complied with its duty under section 172 of the UK's Companies Act 2006. Section 172 requires the Trustees to have regard to the long term consequences of its decision-making, to the interests of key stakeholders and to the importance of maintaining high standards of conduct.

In our statement of Strategic Vision on page 32 we have set out the values and strategic aims which inform the Board's decision making, reflecting the Board's commitment to the long term sustainability of the Group and to the maintenance of high standards not only in the provision of ophthalmic care and in research, but also in governance and in the way we care for our staff.

Below we report on how the Trustees engage with four key groups of stakeholders. These are:

1. Staff
2. Patients
3. The Patients' Communities
4. Donors including major donors and Pories.

The following sections outline a well-established strategy that ensures decisions made by the Board of Trustees are always well informed by our stakeholders. Communications and feedback from our stakeholders are featured in Board meetings and

form a fundamental basis for the Trustees' decisions. Furthermore, Trustees ensure that management operates the Hospital in a responsible manner that reflects the values of the Order of St. John.

HOSPITAL STAFF

Within the Hospital Group there are several staff committees that form the main platforms for decision making. Each of these committees has at least one Senior Management Team (SMT) representative who is in direct communication with the concerned Trustees. The Board of Trustees has 12 different specialised committees that meet regularly where SMT members are in attendance. All relevant decisions are brought to these meetings and Trustees with the staff representatives making decisions as appropriate. The Board also meets three times annually, present at Board meetings are SMT members representing the various categories of staff.

Staff surveys are conducted biannually to explore staff levels of satisfaction as well as engagement in the decision-making process at the Hospital. These findings are presented at the various Board Committees for further analysis and conclusions.

A good example of the Trustees' full engagement with staff was the development of the Strategic Plan 2020-2022. Several workshops were held at

the Hospital operational level to conduct a SWOT analysis and proposed strategic aims and objectives for the next three years. These strategic aims were presented to the Board of Trustees who, with the SMT, conducted extensive debate and agreed a set of five strategic objectives that will shape the Hospital activities for the next three years.

PATIENTS

As part of our commitment to JCI accreditation, inspectors look to see that patients are engaged with on a regular basis and their suggestions for service improvements are taken on board. Patients' views are fully appraised through a biannual survey that is conducted across the Group by our quality of care teams. Patients are asked to comment on the service they receive as well as make recommendations for improvements and their perceived needs for additional services as appropriate. The results of these surveys are discussed at the Board of Trustees' meetings and discussions concerning patients' expressed needs are taken by the Trustees and the SMT.

Trustees also engaged in patients' complaints where these are analysed and presented to the various concerned committees including the Clinical Governance Committee.



PATIENTS' COMMUNITIES

The Chairman and local Trustees of the Board meet with representatives from the Palestinian Ministry of Health at the ministerial level and with the Head of UNRWA in Gaza to discuss needs of their patients and strategies that the Hospital might be able to employ to respond to such needs. The SMT is in constant dialogue and communication with representatives from the Israeli Patients' Fund to discuss services provided by the Hospital to their patients. These decisions are brought to the various Trustees committees for discussion.

The Board of Trustees are fully aware of the considerations and decisions made at the Jerusalem community level. In this regard, we are part of the East Jerusalem Hospitals Network that meets regularly to discuss ways of enhancing the quality of care provided to patients in East Jerusalem.

MAJOR DONORS AND PRIORIES

Trustees' have an involvement in the decision making and high-level monitoring of fundraising, project development, and marketing.

They are all well informed through quarterly meetings focused on development in the aforementioned areas. The Board usually give input to any donor-

required pre-award surveys or due diligence processes that examine the capabilities, performance, and policies of the Hospital Group.

PRIORIES

As a foundation member of the Order of St John and benefactor from most Priories we have a distinct obligation to receive input and work in collaboration with the wider St John family. We cater our reporting and engagement to each Priory's preferences. For example, St John Scotland has sponsored both staff and the Mobile Outreach Programme, prior to which we provided a detailed report on current and future operations and the budget. The Priory in the USA sponsors staff through their Nurse Initiative and receive video messages from each staff member they support in thanks alongside a more detailed report.

Various staff members also sit on the working groups of the Johanniter International, a collaborative organisation aimed to enable European-based St John organisations to develop best practice approaches to healthcare, fundraising and marketing together. Members of these teams meet quarterly.

OTHER MAJOR DONORS AND STAKEHOLDERS

We value the feedback from our stakeholders on what they consider is the most effective use of funds and why, and we

report back demonstrating the impact of this investment. Our Trusts and Foundations programme has a reporting schedule for every grant given, dependent on each stakeholders' specific requirements.

Our Development Team in Jerusalem is in regular contact with our institutional donors and have a stringent reporting policy for each project managed. In 2019, as part of our partnership with the Fred Hollows Foundation (FHF), the Australian NGO Cooperation Programme (ANCP) visited our hospital as part of a showcase of FHF supported organisations. The ANCP made a number of recommendations which were taken on board by SJEHG.

The fundraising Guild made up of supporters who work voluntarily to fundraise for the Hospital is a vital channel through which we communicate and receive feedback on our work. The organisation is considered a sub-committee of the Fundraising Committee and the Chairperson participates in committee meetings which allows us to share information across Trustees, staff and volunteers, which feeds into our decision-making. Finally our wider public donors are regularly engaged with via our bi-annual Jerusalem Scene, our Annual Report and our social media channels. Any donor is welcome and encouraged to contact our Fundraising Team to discuss our work.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST JOHN OF JERUSALEM EYE HOSPITAL GROUP

Report on the audit of the financial statements

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 2019 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 (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report (the "Annual Report"), which comprise: the group and charity balance sheets as at 31 December 2019; the consolidated statement of financial activities, the group income and expenditure account, and the consolidated cash flow statement for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with International

Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

However, because not all future events or conditions can be

predicted, this statement is not a guarantee as to the group's and parent charitable company's ability to continue as a going concern.

REPORTING ON OTHER INFORMATION

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Trustees' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Trustees' Report. We have nothing to report in this respect.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities set out on page 36, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial

statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group and parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the charity's members 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.

Other required reporting

COMPANIES ACT 2006 EXCEPTION REPORTING

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
- certain disclosures of trustees' remuneration specified by law are not made; 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.



Andrew Lowe
(Senior Statutory Auditor)
For and on behalf of
PricewaterhouseCoopers LLP
Chartered Accountants and
Statutory Auditors
London.

31 December 2020

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP

FINANCIAL STATEMENTS

Consolidated Statement of Financial Activities for the year ended 31 December 2019

| | Notes | Unrestricted Funds 2019 £000 | Restricted Funds 2019 £000 | Endowment Funds 2019 £000 | Total Funds 2019 £000 | Total Funds 2018 £000 |
|---|-------|---------------------------------------|-------------------------------------|------------------------------------|--------------------------------|--------------------------------|
| Income and Endowments | | | | | | |
| Income from donations and legacies | 3 | 2,354 | 3,339 | - | 5,693 | 6,640 |
| Income from charitable activities | 4 | 6,296 | - | - | 6,296 | 5,295 |
| Income from investments | 8e | 73 | 152 | - | 225 | 184 |
| Total Income and Endowments | | 8,723 | 3,491 | - | 12,214 | 12,119 |
| Resources Expended | | | | | | |
| Expenditure on generating funds | | (728) | - | - | (728) | (676) |
| Expenditure on charitable activities | | (7,539) | (3,720) | - | (11,259) | (10,129) |
| Other expenditure | | (185) | - | - | (185) | (165) |
| Total Resources Expended | 5 | (8,452) | (3,720) | - | (12,172) | (10,970) |
| Net gains / (losses) on investments | 8 | 269 | - | 542 | 811 | (531) |
| Net Income / (expense) | | 540 | (229) | 542 | 853 | 618 |
| Transfers between funds | 12,13 | 599 | (599) | - | - | - |
| Exchange gains / (losses) on overseas activities | | 324 | - | - | 324 | (161) |
| Net Movement in Funds | | 1,463 | (828) | 542 | 1,177 | 457 |
| Fund balances brought forward at 1 January | | 9,498 | 1,425 | 6,661 | 17,584 | 17,127 |
| Fund balances carried forward at 31 December | 15 | 10,961 | 597 | 7,203 | 18,761 | 17,584 |

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

All of the above results are derived from continuing activities.

Group Income and Expenditure Account for the year ended 31 December 2019

| | 2019 £000 | 2018 £000 |
|-------------------|--------------|--------------|
| Income | 12,214 | 12,119 |
| Expenditure | (12,172) | (10,970) |
| Net Income | 42 | 1,149 |

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

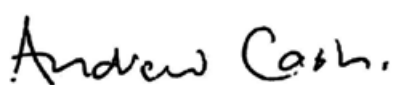
The accounting policies and the notes on pages 44 to 57 form part of these financial statements.

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP FINANCIAL STATEMENTS

Balance Sheets as at 31 December 2019

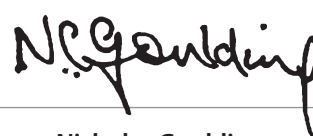
| | Notes | Group 2019 £000 | Group 2018 £000 | Charity 2019 £000 | Charity 2018 £000 |
|---|-------|-----------------------|-----------------------|-------------------------|-------------------------|
| Fixed Assets | | | | | |
| Tangible assets | 7 | 6,121 | 6,334 | 13 | 8 |
| Investments | 8 | 12,662 | 11,550 | 10,715 | 9,936 |
| Total Fixed Assets | | 18,783 | 17,884 | 10,728 | 9,944 |
| Current Assets | | | | | |
| Stocks | 9 | 424 | 532 | - | - |
| Debtors | 10 | 2,878 | 2,776 | 110 | 122 |
| Cash at bank and in hand | | 4,413 | 3,424 | 2,205 | 1,361 |
| Total Current Assets | | 7,715 | 6,732 | 2,315 | 1,483 |
| Creditors: Amounts falling due within one year | 11 | (2,258) | (2,227) | (57) | (20) |
| Net Current Assets | | 5,457 | 4,505 | 2,258 | 1,463 |
| Total Assets Less Current Liabilities | | 24,390 | 22,389 | 12,986 | 11,407 |
| Creditors: Amounts falling due after more than one year | 11 | (5,479) | (4,805) | - | - |
| Net Assets | | 18,761 | 17,584 | 12,986 | 11,407 |
| The Funds of the Group and Charity | | | | | |
| Restricted income funds | 13 | 597 | 1,425 | 387 | 510 |
| Endowment funds | 14 | 7,203 | 6,661 | 7,203 | 6,661 |
| Unrestricted income funds | 12 | | | | |
| Designated funds | | 6,121 | 6,334 | 13 | 8 |
| Revaluation funds | | 467 | 322 | 467 | 322 |
| Other general funds | | 4,373 | 2,842 | 4,916 | 3,906 |
| Unrestricted income funds | | 10,961 | 9,498 | 5,396 | 4,236 |
| Total Group and Charity Funds | 15 | 18,761 | 17,584 | 12,986 | 11,407 |

The Charity's net income was £1,652,000 (2018, £1,063,000). The accounting policies and the notes on pages 44 to 57 form part of these financial statements. The financial statements were approved by the Trustees and signed on their behalf by:



Sir Andrew Cash
Chairman, Board of Trustees

31 December 2020



Nicholas Goulding
Treasurer

Company number: 7355619

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP FINANCIAL STATEMENTS

Consolidated Cash Flow Statement for the year ended 31 December 2019

| | Notes | 2019 £000 | 2018 £000 |
|--|-------|--------------|--------------|
| Net cash inflow from operating activities | 16 | 1,779 | 2,527 |
| Cash flows from investing activities | | | |
| Investment income | 8e | 225 | 184 |
| Purchase of tangible fixed assets | 7 | (727) | (1,349) |
| Proceeds from disposal of tangible fixed assets | | 15 | 2 |
| Purchase of fixed asset investments | 8 | (558) | (397) |
| Proceeds from sale of fixed asset investments | 8 | 257 | 221 |
| Net cash outflow from investing activities | | (788) | (1,339) |
| Foreign exchange differences | | (2) | (16) |
| Change in cash and cash equivalents in the financial year | | 989 | 1,172 |
| Cash at bank and in hand at 1 January | | 3,424 | 2,252 |
| Increase in cash in the year | | 989 | 1,172 |
| Cash at bank and in hand at 31 December | | 4,413 | 3,424 |

The accounting policies and the notes on pages 44 to 57 form part of these financial statements.

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP FINANCIAL STATEMENTS

Notes to the Financial Statements for the year ended 31 December 2019

1 Principal accounting policies

a Basis of preparation

The Group constitutes a public benefit group as defined by FRS102. 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) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

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"). Where a subsidiary has different accounting policies to the Group, adjustments are made on consolidation to apply the Group's accounting policies when preparing the consolidated financial statements. 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.

Going Concern

BACKGROUND

In assessing the going concern position of the Charity and the Group as at 31 December 2019, the Board of Trustees have considered the Group's projected activities, financial budgets, cash flows and liquidity for a period to December 2022, which is a period of at least 12 months from the date of approval of the financial statements.

Based on the Group's cash flow projections, the Board of Trustees have adopted the going concern basis of accounting in preparing these financial statements.

IMPACT OF COVID-19

The first case of COVID 19 was confirmed in Israel on 22nd February 2020 and the first case was confirmed in the occupied Palestinian territories on 6th March. The Palestinian Authority (PA) declared a state of emergency and imposed a lockdown on all Palestinians, including severe movement restrictions. Beginning the 11th March, Israel began lockdown measures, including enforcing social distancing and other rules to limit the spread of infection.

The country was hit with a second COVID 19 wave in September and, as a result, the Israeli Authorities imposed a lockdown on the 18th September for 4 weeks. As for the PA, no lockdown was imposed, except for specific areas with a high incidence of COVID 19. The authorities keep all of these measures and restrictions under regular review.

On 18th December, The Palestinian Authority announced a new set of strict nationwide measures aimed at slowing down the rapid spread of the COVID 19 pandemic across Palestine. This was followed by similar measures by the Israeli authorities.

The emergence of COVID 19 and reactions to it have had, and continue to have, a profound effect on domestic and global economies, organisations and society at large. As a result of all the restrictions imposed by the authorities, the Group experienced a reduction in clinical activities which has resulted in a significant decline in patient related income. In addition, the PA has been facing major financial difficulties that have resulted in the inability of their ministry of health to make sufficient, regular and timely payments to the Group during 2020. Additionally, due to the global crisis, and in common with many other charitable organisations, the Group has experienced a decline in voluntary income receipts which is likely to continue for some while.

TRUSTEES' ACTIONS

To seek to minimise the financial impact of the pandemic, the Group carried out the following actions during 2020:

- Over 40 staff members took one month of unpaid leave during April 2020.
- All staff took one month of unpaid leave (between May and August).
- A reduction in variable operational costs of circa 70% was targeted.
- Additional reduction in payroll costs due to postponement of recruitment.
- Reduction in non-critical operational spending and deferral of capital expenditure.
- Deferral of promotions and study/professional leave.
- An emergency appeal was launched with a planned return of £0.5m.
- All Pories of the Order of St John were requested and lobbied to increase their financial support.

As for additional and new sources of finance, the hospital expects to receive US\$150k from the Israeli Government as a grant for returning employees to work (the majority of those funds have already been received). Additionally, the hospital received US\$75k from the Jerusalem Fund. Moreover, the Pories of St John

have reassured the Trustees of their commitment to continue supporting the Group.

BUSINESS PLAN

In order to assess, for example, the use of the going concern assumption, Management and the Trustee Board have produced a detailed, yet adaptable, business plan that considers projected activity, the related financial budgets, cash flows and liquidity of the Group covering the period to December 2022.

KEY ASSUMPTIONS

The business and financial plans incorporate the following key assumptions:

- National and local Government decisions, rules and advice, along with travel and border restrictions and social distancing, will be relaxed sufficiently to permit the hospitals to provide a full range of services so as to serve patients in the most efficient and safe manner.
- There are no further impositions of closures, or the impact of any matter noted above, that would affect the Group's operations.
- Demand for services from patients return to a lower level than normally achieved, though in excess of that effectively permitted by current social distancing and other lockdown measures.
- The capacity and supply of patient services by the Group is not impacted by Covid-related matters.
- Payment by the PA (directly, or indirectly via its own funding sources) of sufficient, regular and timely payments to the Group for patient services provided.
- The achievement of a reduction in cash outflows through the restructuring of the organisation and measures planned to reduce costs during periods when activities may be limited.
- The Group is able to obtain on-going voluntary and fundraising unrestricted income, in particular from the St John Pories, albeit at levels reduced from prior periods.

SENSITIVITY ANALYSIS

Management and the Trustee Board have considered the impact on projected activities, budgets, and cash flows of reasonably plausible downside scenarios such that the key assumptions are not met, or able to be met, in whole or in part. This includes, for example, restrictions in supply of, or demand for, patient services; and reductions in income through voluntary income and fundraising targets not being achieved, beyond those considered in the current plans.

The Trustee Board has also sought to identify certain mitigating actions that could provide additional liquidity or reduce cash outflows to ensure that the Group can maintain sufficient liquidity over the next 24 months. Under certain of these scenarios, the Group could utilise a large proportion of its available cash reserves, which exclude cash related to restricted income and endowment funds, within the period to December 2022 and require the implementation of some, or all, of the mitigating actions identified by Management and the Trustee Board. Such measures, whilst being identified and achievable based on current advice, may not necessarily provide liquidity to the degree required or within the required timescales. The Board of Trustees acknowledge that there is a level of uncertainty, which is likely to persist for some time, given the key assumptions and the financial modelling referred to above.

CONCLUSIONS

Having assessed the combination of all these various options, the Trustee Board, however, has a reasonable current expectation that the Charity and the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements. For these reasons, the Trustee Board has adopted the going concern basis of accounting in the preparation of these financial statements. Accordingly, these financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would result if the Group and Charity were unable to continue as a going concern.

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP FINANCIAL STATEMENTS

Notes to the Financial Statements for the year ended 31 December 2019

Principal accounting policies (continued)

b Foreign currencies

The Charity's functional and presentational currency is pounds sterling. 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. The exchange rate of the Pounds Sterling to the Israeli Shekel at 2019 year-end was 4.5597 (2018, 4.7934), while the average rate for 2019 was 4.5535 (2018, 4.7982).

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. Donations in kind are recorded as income when the resources are received and recorded at fair value. Income from charitable activities is accounted for when earned (i.e. the service is provided to patients). 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 not recognised in these financial statements. However, where doctors, nurses or other members of staff are employed by the Group but paid by third parties, the estimated market value of their services is recorded within both income (donations) and expenditure (salaries).

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 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 Expenditure on charitable activities

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 Cash flow statement exemption

The Charity has taken advantage of the exemption in FRS 102 from preparing a statement of cash flows, on the basis that it is a qualifying entity and the Group statement of cash flows included in these financial statements includes the cash flows of the Charity.

j Pension and other end of service costs

The amount charged in the Statement of Financial Activities 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.

k Rentals

The costs in respect of 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 Hospital premises, which the Group occupied rent free until 2015, after which it has paid a nominal rent.

l Taxation

The Charity and each group entity is 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.

m 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 £500 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 |

The holding values and estimated useful lives of assets are regularly reviewed for impairment and, where deemed appropriate, are written down.

On disposal of an item of tangible assets, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within 'Other hospital income' in note 4.

n 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 assets investments is recorded on an accruals basis. Market value for unlisted investments is calculated by the fund managers using underlying financial information.

o Liquid resources

Liquid resources are cash, time deposits, and certificates of deposit, in addition to cash at bank and in hand held in current accounts with UK, Israeli and Palestinian Banks.

p 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.

q 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.

General reserves are unrestricted funds available to be used at the discretion of the Board of Trustees for the furtherance of the charitable objectives of the Group and which have not been designated for any other purpose.

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.

Transfers between funds represent tangible assets purchased with restricted donations and used for hospital operations.

r 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. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the change takes place if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Exchange rates are fundamental to the uncertainties. Mainly the impact of subsequent adverse movements between the exchange rates of the reporting and the operative currencies which would potentially affect, to some extent, the operating capability notwithstanding the enhanced but unrealisable balance sheet value of non UK assets.

The Group provides against receivables (mainly the Palestinian Authority Debt) by making judgements based on experience regarding the level of provision required to account for potentially uncollectible receivables.

2 Legal status

The Charity was incorporated in England as a company limited by guarantee in 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 Donations and Legacies

| | Unrestricted £000 | Restricted £000 | 2019 Total £000 | Unrestricted £000 | Restricted £000 | 2018 Total £000 |
|-------------------|----------------------|--------------------|--------------------|----------------------|--------------------|--------------------|
| Donations | 2,062 | 3,336 | 5,398 | 1,581 | 4,609 | 6,190 |
| Legacies | 168 | 3 | 171 | 66 | 43 | 109 |
| Donations in kind | 124 | - | 124 | 341 | - | 341 |
| | 2,354 | 3,339 | 5,693 | 1,988 | 4,652 | 6,640 |

Donations in kind include the estimated market value of medical services donated by visiting doctors to the Jerusalem Hospital £3,000 (2018: £3,000), and the value of donated tangible assets and medical supplies £73,000 (2018: £290,000). Income from related parties is set out in note 19.

4 Income from charitable activities

| | 2019 £000 | 2018 £000 |
|---|--------------|--------------|
| Outpatient income | 2,744 | 2,300 |
| Surgical income | 3,706 | 3,070 |
| Less: Patient Relief | (549) | (391) |
| Net patient related income | 5,901 | 4,979 |
| Other hospital income | 66 | 43 |
| Rental income, board and lodging | 329 | 273 |
| Total other income | 395 | 316 |
| Total income from charitable activities | 6,296 | 5,295 |

Patient Relief represents subsidies and exemptions to cover the value of medical services rendered when payment is waived by the Group 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 2019 £000 | Costs of Generating Funds 2018 £000 | Charitable Activities 2019 £000 | Charitable Activities 2018 £000 | Governance Costs 2019 £000 | Governance Costs 2018 £000 | Total 2019 £000 | Total 2018 £000 |
|------------------------------|---|---|--|--|-------------------------------------|-------------------------------------|-----------------------|-----------------------|
| Personnel costs (note 6) | 336 | 311 | 6,370 | 5,900 | 51 | 50 | 6,757 | 6,261 |
| Recruitment costs | 10 | - | - | - | 53 | 11 | 63 | 11 |
| Medical costs | - | - | 2,426 | 2,299 | - | - | 2,426 | 2,299 |
| Establishment costs | 73 | 73 | 657 | 590 | 16 | 14 | 746 | 677 |
| Depreciation (note 7) | 4 | 4 | 1,260 | 1,139 | - | - | 1,264 | 1,143 |
| Office expenses | 36 | 30 | 177 | 159 | 4 | 3 | 217 | 192 |
| Travel and subsistence | 55 | 123 | 108 | 42 | - | - | 163 | 165 |
| Marketing and publicity | 158 | 125 | - | - | - | - | 158 | 125 |
| Auditors' remuneration | 22 | - | - | - | 54 | 55 | 76 | 55 |
| Other professional fees | 34 | 5 | 28 | 50 | 11 | 13 | 73 | 68 |
| Legal fees | - | 5 | 18 | 24 | 12 | 30 | 30 | 59 |
| Finance costs | - | - | 215 | (81) | (16) | (4) | 199 | (85) |
| | 728 | 676 | 11,259 | 10,129 | 185 | 165 | 12,172 | 10,970 |
| Support costs included above | - | - | 1,439 | 1,011 | 63 | 28 | 1,502 | 1,039 |

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP

FINANCIAL STATEMENTS

Notes to the Financial Statements for the year ended 31 December 2019

Total resources expended in 2018 of £10,970,000 comprise £6,947,000 for unrestricted funds and £4,023,000 for restricted funds.

| | 2019 | 2018 |
|-------------------------|--------------|--------------|
| | £000 | £000 |
| Support costs comprise: | | |
| Personnel costs | 472 | 440 |
| Recruitment costs | 53 | 11 |
| Establishment costs | 340 | 305 |
| Depreciation | 127 | 114 |
| Office expenses | 180 | 162 |
| Travel and subsistence | 108 | 42 |
| Other professional fees | 28 | 57 |
| Finance costs | 194 | (85) |
| | 1,502 | 1,076 |

| | 2019 | 2018 |
|--|---------------|---------------|
| | £ | £ |
| Auditors' remuneration (excluding VAT): | | |
| External audit | 43,758 | 40,963 |
| Other services provided by external auditors | 19,732 | 5,307 |
| Sub-total | 63,490 | 46,270 |
| Internal audit | 7,935 | 10,851 |
| | 71,425 | 57,121 |

6 Employee information

a Number of employees

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

| | 2019 | 2018 |
|---------------------|------------|------------|
| | Number | Number |
| Medical and nursing | 176 | 176 |
| Support services | 46 | 46 |
| Fundraising | 10 | 17 |
| Administration | 36 | 33 |
| | 268 | 272 |

b Staff costs

| | 2019 | 2018 |
|-----------------------|--------------|--------------|
| | £000 | £000 |
| Wages and salaries | 5,999 | 5,563 |
| Social security costs | 463 | 434 |
| Other pension costs | 287 | 249 |
| Other related costs | 8 | 15 |
| | 6,757 | 6,261 |

c Emoluments of employees

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

| | 2019 | 2018 |
|---------------------|--------|--------|
| | Number | Number |
| £200,001 - £210,000 | 1 | - |
| £100,001 - £110,000 | - | 2 |
| £90,001 - £100,000 | 1 | - |
| £80,001 - £90,000 | 1 | 1 |
| £70,001 - £80,000 | 4 | 1 |
| £60,001 - £70,000 | 1 | 2 |

The above amounts include end of service benefits allowance. During the year, provident benefits and pension contributions on behalf of these staff amounted to £12,000 (2018, £10,000).

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP

FINANCIAL STATEMENTS

Notes to the Financial Statements for the year ended 31 December 2019

d Remuneration received by key management personnel

The total remuneration received by the 9 (2018, 10) senior management personnel in managing the operations of the Group amounted to £684,000 (2018, £560,000).

e Pension costs

Pension costs comprise the contributions payable to authorised Israeli money purchase pension schemes in respect of non UK employees and a UK defined contribution retirement benefit scheme in respect of UK based employees.

End of service accrued retirement benefits for non UK employees included in wages and salaries costs are included in the Balance Sheet in Creditors: Amounts falling due within and after more than one year (note 11c).

7 Tangible assets

a Group

| | Buildings & Improvements £000 | Medical Equipment £000 | Motor Vehicles £000 | Other Assets £000 | Total £000 |
|---------------------------------|----------------------------------|---------------------------|------------------------|----------------------|---------------|
| Cost | | | | | |
| 1 January 2019 | 6,699 | 8,125 | 303 | 2,756 | 17,883 |
| Additions | 67 | 587 | - | 73 | 727 |
| Exchange differences | 344 | 415 | 15 | 138 | 912 |
| Disposals | - | - | - | (5) | (5) |
| 31 December 2019 | 7,110 | 9,127 | 318 | 2,962 | 19,517 |
| Accumulated Depreciation | | | | | |
| 1 January 2019 | 3,454 | 5,886 | 142 | 2,067 | 11,549 |
| Charge for the year | 348 | 652 | 64 | 200 | 1,264 |
| Exchange differences | 176 | 301 | 6 | 103 | 586 |
| Disposals | - | - | - | (3) | (3) |
| 31 December 2019 | 3,978 | 6,839 | 212 | 2,367 | 13,396 |
| Net Book Value | | | | | |
| 31 December 2019 | 3,132 | 2,288 | 106 | 595 | 6,121 |
| 31 December 2018 | 3,245 | 2,239 | 161 | 689 | 6,334 |

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

b Charity

| | Other Assets £000 | Total £000 |
|---------------------------------|----------------------|---------------|
| Cost | | |
| 1 January 2019 | 58 | 58 |
| Additions | 10 | 10 |
| 31 December 2019 | 68 | 68 |
| Accumulated Depreciation | | |
| 1 January 2019 | 50 | 50 |
| Charge for the year | 5 | 5 |
| 31 December 2019 | 55 | 55 |
| Net Book Value | | |
| 31 December 2019 | 13 | 13 |
| 31 December 2018 | 8 | 8 |

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP

FINANCIAL STATEMENTS

Notes to the Financial Statements for the year ended 31 December 2019

8 Investments

a Analysis of movements (Group)

| | Bank Deposits £000 | Listed Investments £000 | Total £000 |
|-------------------------------------|--------------------------|-------------------------------|---------------|
| Market value at 1 January 2019 | 1,448 | 10,102 | 11,550 |
| Additions | 161 | 397 | 558 |
| Withdrawals | - | (257) | (257) |
| Unrealised gains | - | 811 | 811 |
| Market value at 31 December 2019 | 1,609 | 11,053 | 12,662 |
| Historical cost at 31 December 2019 | 1,609 | 9,528 | 11,137 |

In 2018, unrealised losses of £531,000 comprise £177,000 for unrestricted funds and £354,000 for endowment funds.

b Analysis of movements (Charity)

| | Listed Investments £000 | Total £000 |
|-------------------------------------|-------------------------------|---------------|
| Market value at 1 January 2019 | 9,936 | 9,936 |
| Additions | 224 | 224 |
| Withdrawals | (257) | (257) |
| Unrealised gains | 812 | 812 |
| Market value at 31 December 2019 | 10,715 | 10,715 |
| Historical cost at 31 December 2019 | 9,264 | 9,264 |

c Listed investments:

Analysis by category of underlying holding and location

| | | 2019 Group £000 | 2019 Charity £000 | 2018 Group £000 | 2018 Charity £000 |
|------------------------------------|------------|--------------------|----------------------|--------------------|----------------------|
| Equity investments | - UK | 2,982 | 2,982 | 2,734 | 2,734 |
| | - Overseas | 3,406 | 3,406 | 2,957 | 2,957 |
| Fixed interest securities | - UK | 679 | 679 | 671 | 671 |
| Property Unit Trusts | - UK | 1,133 | 1,133 | 1,139 | 1,139 |
| Property Unit Trusts (unlisted) | - Europe | 2 | 2 | 3 | 3 |
| Alternative Investments | - UK | 493 | 493 | 484 | 484 |
| Sterling & Cash Instruments | - UK | 2,020 | 2,020 | 1,948 | 1,948 |
| Others | - Overseas | 338 | - | 166 | - |
| Market value of listed investments | | 11,053 | 10,715 | 10,102 | 9,936 |

At 31 December 2019, the following pooled funds represented each more than 4% of the total investment portfolio:

| Group & Charity | 2019 % | 2018 % |
|--|--------|--------|
| Fidelity Global Dividend Fund | 11.3 | 10.6 |
| Trojan Income Fund | 9.7 | 6.3 |
| Schroder Income Fund | 9.2 | 8.6 |
| Aberdeen UK All Share Tracker Fund | 9.0 | 5.5 |
| Charities Property Fund | 7.8 | 8.7 |
| Vanguard S&P 500 UCITS ETF | 7.8 | 6.9 |
| Majedie UK Equity Fund | 6.0 | 5.9 |
| Property Income Trust for Charities | 5.0 | 5.5 |
| Schroders QEP Global Active Value Fund | 4.9 | 9.7 |
| HSBC FTSE All World Index Fund | 4.9 | - |
| Vontobel Fund | 4.8 | 5.1 |

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP

FINANCIAL STATEMENTS

Notes to the Financial Statements for the year ended 31 December 2019

8 Investments

d Bank deposits

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

e Income from investments

| | 2019 £000 | 2018 £000 |
|--------------------|--------------|--------------|
| Unrestricted funds | 73 | 61 |
| Restricted funds | 152 | 123 |
| | 225 | 184 |

f 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 financial information for the subsidiary entities:

| | St. John Eye Hospital in Jerusalem (RA) 2019 £'000 | St. John of Jerusalem Eye Hospital 2019 £'000 |
|--|--|---|
| Total income and endowments | 8,267 | 2,379 |
| Total resources expended | (8,815) | (2,739) |
| Net (outgoing) resources before other recognised gains | (548) | (360) |
| Other recognised gains | 207 | 130 |
| Net movements in funds | (341) | (230) |
| Total assets | 9,722 | 4,344 |
| Total liabilities | (6,003) | (2,166) |
| Total funds | 3,719 | 2,178 |
| Restricted income funds | 210 | 1 |
| Designated funds | 3,314 | 2,793 |
| Other general funds | 195 | (616) |
| Total funds | 3,719 | 2,178 |

9 Stocks

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

10 Debtors

a Amounts falling due within one year

| Note | Group 2019 £000 | Group 2018 £000 | Charity 2019 £000 | Charity 2018 £000 |
|--------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Trade debtors | 2,618 | 2,604 | - | - |
| Allowance for bad debts | (420) | (275) | - | - |
| Net trade debtors | 2,198 | 2,329 | - | - |
| Donations receivable | 557 | 344 | 83 | 110 |
| Prepayments and accrued income | 123 | 103 | 27 | 12 |
| Total debtors | 2,878 | 2,776 | 110 | 122 |

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP

FINANCIAL STATEMENTS

Notes to the Financial Statements for the year ended 31 December 2019

10 Debtors (continued)

b Movement in allowance for bad debts

| | Group 2019 £000 | Group 2018 £000 |
|----------------------|-----------------------|-----------------------|
| 1 January | 275 | 214 |
| Additions | 505 | 355 |
| Write off* | (369) | (290) |
| Exchange differences | 9 | (4) |
| 31 December | 420 | 275 |

*The majority of the write off relates to an agreement with UNRWA whereby the actual contractual payments are lower than the normal invoiced value of services provided to those patients. Additionally, it includes an allowance against the receivables from the Palestinian Authority.

11 Creditors

a Amounts falling due within one year

| | Note | Group 2019 £000 | Group 2018 £000 | Charity 2019 £000 | Charity 2018 £000 |
|------------------------------|------|-----------------------|-----------------------|-------------------------|-------------------------|
| Trade creditors | | 388 | 498 | 27 | 5 |
| Retirement benefits | 11 c | 1,154 | 1,078 | - | 1 |
| Taxation and social security | | 94 | 70 | 12 | - |
| Accruals | | 526 | 474 | 18 | 14 |
| Deferred income | 11 b | 35 | 54 | - | - |
| Holiday pay accrual | | 61 | 53 | - | - |
| | | 2,258 | 2,227 | 57 | 20 |

b Deferred income

| | Group 2019 £000 | Group 2018 £000 |
|----------------------------|-----------------------|-----------------------|
| 1 January | 54 | 57 |
| Deferred income recognised | 232 | 173 |
| Deferred income released | (253) | (175) |
| Exchange differences | 2 | (1) |
| 31 December | 35 | 54 |

Deferred income represents income received in advance from renting out some of the hospital's properties in Jerusalem.

c Amounts falling due after more than one year

| | Group 2019 £000 | Group 2018 £000 | Charity 2019 £000 | Charity 2018 £000 |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| Retirement benefits | | | | |
| 1 January | 4,805 | 5,551 | - | - |
| Additions | 622 | 741 | - | - |
| Exchange differences | 293 | (127) | - | - |
| Transferred to amounts falling due within one year | - | (1,078) | - | - |
| Payments | (241) | (282) | - | - |
| 31 December | 5,479 | 4,805 | - | - |

Accrued retirement benefits mainly represents amounts payable under Israeli law when staff leave the Group's 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.

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP

FINANCIAL STATEMENTS

Notes to the Financial Statements for the year ended 31 December 2019

12 Unrestricted Income Funds

| | 1 January 2019 £000 | Incoming Resources £000 | Resources Expended £000 | Transfers £000 | Gains & Losses £000 | 31 December 2019 £000 |
|---|---------------------------|-------------------------------|-------------------------------|-------------------|---------------------------|-----------------------------|
| Group | | | | | | |
| General reserves | 2,842 | 8,600 | (7,191) | - | 122 | 4,373 |
| Designated funds: Tangible fixed assets | 6,334 | 123 | (1,261) | 599 | 326 | 6,121 |
| Revaluation reserve | 322 | - | - | - | 145 | 467 |
| Total unrestricted funds | 9,498 | 8,723 | (8,452) | 599 | 593 | 10,961 |
| Charity | | | | | | |
| General reserves | 3,906 | 1,612 | (605) | - | 3 | 4,916 |
| Designated funds: Tangible fixed assets | 8 | 10 | (5) | - | - | 13 |
| Revaluation reserve | 322 | - | - | - | 145 | 467 |
| Total unrestricted funds | 4,236 | 1,622 | (610) | - | 148 | 5,396 |
| | | | | | | |
| | 1 January 2018 £000 | Incoming Resources £000 | Resources Expended £000 | Transfers £000 | Gains & Losses £000 | 31 December 2018 £000 |
| Group | | | | | | |
| General reserves | 1,693 | 6,812 | (5,804) | - | 141 | 2,842 |
| Designated funds: Tangible fixed assets | 6,273 | 532 | (1,143) | 817 | (145) | 6,334 |
| Revaluation reserve | 656 | - | - | - | (334) | 322 |
| Total unrestricted funds | 8,622 | 7,344 | (6,947) | 817 | (338) | 9,498 |
| Charity | | | | | | |
| General reserves | 3,362 | 2,342 | (1,956) | - | 158 | 3,906 |
| Designated funds: Tangible fixed assets | 3 | 9 | (4) | - | - | 8 |
| Revaluation reserve | 656 | - | - | - | (334) | 322 |
| Total unrestricted funds | 4,021 | 2,351 | (1,960) | - | (176) | 4,236 |

Transfers represent amounts released from restricted funds for the purchase of tangible fixed assets.

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP

FINANCIAL STATEMENTS

Notes to the Financial Statements for the year ended 31 December 2019

13 Restricted Income Funds

| | 1 January 2019 £000 | Incoming Resources £000 | Charitable Activities £000 | Purchase of Tangible Fixed Assets £000 | 31 December 2019 £000 |
|---|---------------------------|-------------------------------|----------------------------------|---|-----------------------------|
| Charity | | | | | |
| Staff sponsorship | - | 734 | (734) | - | - |
| Outreach | - | 17 | (17) | - | - |
| West Bank and Gaza Facilities | - | 10 | (10) | - | - |
| Other capital projects | 330 | 5 | - | (73) | 262 |
| Patient relief | 1 | 9 | (9) | - | 1 |
| Income received from endowments | - | 152 | (152) | - | - |
| Other projects | 172 | 10 | (132) | - | 50 |
| Others value less in each case than £25,000 | 7 | 69 | (2) | - | 74 |
| Total Charity | 510 | 1,006 | (1,056) | (73) | 387 |
| Capital projects | 229 | 480 | (183) | (526) | - |
| Other projects | 674 | 1,981 | (2,472) | - | 183 |
| Others value less in each case than £25,000 | 12 | 24 | (9) | - | 27 |
| Total Group | 1,425 | 3,491 | (3,720) | (599) | 597 |

| | 1 January 2018 £000 | Incoming Resources £000 | Charitable Activities £000 | Purchase of Tangible Fixed Assets £000 | 31 December 2018 £000 |
|---|---------------------------|-------------------------------|----------------------------------|---|-----------------------------|
| Charity | | | | | |
| Staff sponsorship | - | 726 | (726) | - | - |
| Outreach | 42 | 2 | (44) | - | - |
| West Bank and Gaza Facilities | - | 17 | (17) | - | - |
| Other capital projects | 61 | 515 | - | (246) | 330 |
| Patient relief | 50 | 111 | (160) | - | 1 |
| Income received from endowments | - | 123 | (123) | - | - |
| Other projects | 102 | 245 | (175) | - | 172 |
| Others value less in each case than £25,000 | 7 | 19 | (19) | - | 7 |
| Total Charity | 262 | 1,758 | (1,264) | (246) | 510 |
| Capital projects | 181 | 619 | - | (571) | 229 |
| Other projects | 1,020 | 2,346 | (2,692) | - | 674 |
| Others value less in each case than £25,000 | 27 | 52 | (67) | - | 12 |
| Total Group | 1,490 | 4,775 | (4,023) | (817) | 1,425 |

Charity

- Staff sponsorship represents funds received to cover or contribute to staff costs of 42 hospital staff.
- Outreach funds cover the running costs of three outreach units.
- West Bank and Gaza facilities fund contribute to cover the operating costs of Gaza Hospital, Hebron Hospital and Anabta Clinic.
- Capital projects funds represent funds received from various UK Trusts and Middle East donors to establish a refractive suite and purchase medical equipment for the Group.
- 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 and the Muristan Clinic.

Group

- Capital projects funds represent funds received from various donors to establish a refractive suite and purchase medical equipment for the Group.
- Other projects include donations received to expand the level of operations within the Gaza hospital through the introduction of a Diabetic Retinopathy screening and epidemiological research components. Also, it includes funds received to establish a genetic research unit and a lab at the main hospital in Jerusalem as well as funds received to sustain our services at the Muristan Clinic in the Old City of Jerusalem.

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP

FINANCIAL STATEMENTS

Notes to the Financial Statements for the year ended 31 December 2019

14 Endowment Funds Group and Charity

| | 1 January 2019 £000 | Investment Gains £000 | 31 December 2019 £000 |
|--|---------------------------|-----------------------------|-----------------------------|
| American Society of St John: Walsh Bequest | 480 | 39 | 519 |
| Bed Endowment | 3,904 | 318 | 4,222 |
| Frost Charitable Trust | 525 | 43 | 568 |
| Frost Nursing School | 497 | 40 | 537 |
| Mr. Owen Smith Endowment | 106 | 8 | 114 |
| The John Swire Foundation Endowment | 1,149 | 94 | 1,243 |
| | 6,661 | 542 | 7,203 |

| | 1 January 2018 £000 | Investment Losses £000 | 31 December 2018 £000 |
|--|---------------------------|------------------------------|-----------------------------|
| American Society of St John: Walsh Bequest | 506 | (26) | 480 |
| Bed Endowment | 4,112 | (208) | 3,904 |
| Frost Charitable Trust | 553 | (28) | 525 |
| Frost Nursing School | 523 | (26) | 497 |
| Mr. Owen Smith Endowment | 111 | (5) | 106 |
| The John Swire Foundation Endowment | 1,210 | (61) | 1,149 |
| | 7,015 | (354) | 6,661 |

These funds represent:

- The American Society of St John: Walsh Bequest: The Bequest was made in 2000 in honour of the Rev. Canon Edward West 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 Group and Charity Funds

| | Unrestricted Funds 2019 £000 | Unrestricted Funds 2018 £000 | Restricted Funds 2019 £000 | Restricted Funds 2018 £000 | Endowment Funds 2019 £000 | Endowment Funds 2018 £000 | Total Funds 2019 £000 | Total Funds 2018 £000 |
|--|---------------------------------------|---------------------------------------|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|--------------------------------|--------------------------------|
| a Analysis by type of asset and liability (Group) | | | | | | | | |
| Tangible assets | 6,121 | 6,334 | - | - | - | - | 6,121 | 6,334 |
| Investments | 5,459 | 4,889 | - | - | 7,203 | 6,661 | 12,662 | 11,550 |
| Net current assets | 4,860 | 3,080 | 597 | 1,425 | - | - | 5,457 | 4,505 |
| Creditors: Amounts falling due after more than one year | (5,479) | (4,805) | - | - | - | - | (5,479) | (4,805) |
| | 10,961 | 9,498 | 597 | 1,425 | 7,203 | 6,661 | 18,761 | 17,584 |
| b Analysis by type of asset and liability (Charity) | | | | | | | | |
| Tangible assets | 13 | 8 | - | - | - | - | 13 | 8 |
| Investments | 3,512 | 3,275 | - | - | 7,203 | 6,661 | 10,715 | 9,936 |
| Net current assets | 1,871 | 953 | 387 | 510 | - | - | 2,258 | 1,463 |
| | 5,396 | 4,236 | 387 | 510 | 7,203 | 6,661 | 12,986 | 11,407 |

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

| | 2019 £000 | 2018 £000 |
|--|--------------|--------------|
| Net incoming resources | 42 | 1,149 |
| Investment income | (225) | (184) |
| Gain on disposal of tangible fixed assets | (13) | (2) |
| Depreciation | 1,264 | 1,143 |
| Decrease in stocks | 108 | 111 |
| Increase in debtors | (102) | (230) |
| Increase in creditors | 705 | 540 |
| Net cash inflow from operating activities | 1,779 | 2,527 |

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP

FINANCIAL STATEMENTS

Notes to the Financial Statements for the year ended 31 December 2019

17 Financial instruments

| | Group 2019 £000 | Group 2018 £000 | Charity 2019 £000 | Charity 2018 £000 |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
| Financial assets at fair value through statement of financial activities | | | | |
| Investments | 12,662 | 11,550 | 10,715 | 9,936 |
| Financial assets that are debt instruments measured at amortised cost | | | | |
| Stocks | 424 | 532 | - | - |
| Debtors | 2,878 | 2,776 | 110 | 122 |
| Cash at bank and in hand | 4,413 | 3,424 | 2,205 | 1,361 |
| | 7,715 | 6,732 | 2,315 | 1,483 |
| Financial liabilities that are debt instruments measured at amortised cost | | | | |
| Trade creditors | 388 | 498 | 27 | 5 |
| Taxation and social security | 94 | 70 | 12 | - |
| Accruals | 526 | 474 | 18 | 14 |
| Deferred income | 35 | 54 | - | - |
| Holiday pay accrual | 61 | 53 | - | - |
| Retirement benefits | 6,633 | 5,883 | - | 1 |
| | 7,737 | 7,032 | 57 | 20 |

18 Trustees' remuneration

The trustees receive no remuneration.

Reimbursement of trustees' expenses for travel, accommodation and flights for 10 trustees (2018, 12) during the year amounted to £42,929 (2018, £34,573).

Donations made by trustees amounted to £28,892 (2018, £69,207).

Charity Trustee Indemnity insurance is provided at a cost of £8,195 (2018, £5,787) to cover the charity, trustees and officers against potential claims and losses.

19 Related parties transactions

The Charity is a wholly owned subsidiary of The Most Venerable Order of the Hospital of St John of Jerusalem (Charity No. 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 previously 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 peppercorn rent. In the opinion of the trustees, it would be impracticable to place a value on these facilities.

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.

During the year, the Chairman of the Charity, Sir Andrew Cash, was also a trustee of The Most Venerable Order of the Hospital of St John of Jerusalem.

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

| Priory | 2019 £000 | 2018 £000 |
|-------------------------|--------------|--------------|
| USA | 1,640 | 1,331 |
| England and the Islands | 239 | 254 |
| Scotland | 142 | 74 |
| New Zealand | 214 | 84 |
| Australia | 162 | 209 |
| Canada | 168 | 116 |
| Wales | 25 | 10 |
| | 2,590 | 2,078 |

| Other Members of St. John Family | 2019 £000 | 2018 £000 |
|---|--------------|--------------|
| Sweden | 20 | 22 |
| Johanniter Orde in Nederland | 4 | - |
| Johanniter Orde in Finland | 2 | - |
| The Swiss Commandery of the Order of Saint John | 51 | - |
| | 77 | 22 |

| Donations by the Priory of the United States: | 2019 £000 | 2018 £000 |
|---|--------------|--------------|
| Hospital - General Support | 1,303 | 539 |
| Hospital Restricted Gifts | 191 | 249 |
| USAID / ASHA Hospital Restricted Grant | 146 | 543 |
| | 1,640 | 1,331 |

During the year, the Charity reimbursed the Priory of England and the Islands and the Order of St John £1,822 (2018, £2,905) in respect of certain expenses incurred.

Outstanding donations from the Priors and Establishments of the Order of St John at 31 December 2019 amounted to £441,474 (2018: £233,866).

20 Contractual & designated obligations

In 2019, the Group started renovating the children's ward at the main Jerusalem Hospital. The total value of the Project is £202,367 and it is funded by the Knights Templar and the Islamic Development Bank.

21 Subsequent events

The first case of COVID 19 was confirmed in Israel on 22nd February 2020 and the first case was confirmed in the occupied Palestinian territories on 6th March. The Palestinian Authority (PA) declared a state of emergency and imposed a lockdown on all Palestinians, including severe movement restrictions. Beginning the 11th March, Israel began lockdown measures, including enforcing social distancing and other rules to limit the spread of infection. The country was hit with a second COVID 19 wave in September and, as a result, the Israeli Authorities imposed a lockdown on the 18th September for 4 weeks. As for the Palestinian Authority, no lockdown was imposed, except for specific areas with a high incidence of COVID 19. The authorities keep all of these measures and restrictions under regular review. On 18th December, The Palestinian Authority announced a new set of strict nationwide measures aimed at slowing down the rapid spread of the COVID 19 pandemic across Palestine. This was followed by similar measures by the Israeli authorities.

The Group's and Charity's financial statements reflect the financial position that existed at 31 December 2019 and, therefore, exclude the significant subsequent effects of the COVID-19 global pandemic.

Subsequent to the year end (31 December 2019), as a result of all the restrictions imposed by the authorities, the Group experienced a reduction in clinical activities which has resulted in a significant decline in patient related income, especially during March, April and May 2020. In addition, the PA has been facing major financial difficulties that have resulted in the inability of their ministry of health to make sufficient, regular and timely payments to the Group during 2020. The delay in settlement of sums due from the PA has been an ongoing issue for several years, although experience has shown that the sums due are eventually paid. Funding from overseas sovereign territories helps the PA to reduce outstanding balances. Additionally, due to the global crisis, and in common with many other charitable organisations, the Group

has experienced a decline in voluntary income receipts which is likely to continue for some while.

Since 31 December 2019, the outbreak of COVID-19 and related global responses have caused material disruptions to businesses and organisations around the world, leading to an economic slowdown. Global financial markets have experienced significant volatility and weakness. As a result, the value of the Group's investments have been impacted. It is not practical, at this time, to quantify the change in market value as the situation is fluid and unpredictable. The subsequent changes in the fair value of the Group's investments during 2020 are not reflected in these financial statements but will be accounted for in the 2020 financial statements.

In accordance with accounting standards, it has been determined that all these events are to be treated as non-adjusting subsequent events. The financial position and results of operations as at and for the year ended 31 December 2019 have, therefore, not been adjusted to reflect their impact.

The duration and long-term impact of the COVID-19 pandemic remains unclear. Accordingly, it is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Group and Charity for future periods.

Based on the Group's business and financial plans, the Board of Trustees are confident, at this time, of the Group's ability to remain as a going concern and have, therefore, prepared the financial statements on a going concern basis of accounting. Nevertheless, the Board of Trustees acknowledge that there is a level of uncertainty, which is likely to persist for some time. Further details relating to the going concern assumption are included in the basis of preparation section within note 1 to the financial statements.

ST JOHN OF JERUSALEM EYE HOSPITAL GROUP

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London EC1M 6BB

Jerusalem Hospital

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Sheikh Jarrah
P.O. Box 19960
Jerusalem 91198

Bankers in the UK

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London EC1A 4JB

Barclays Bank PLC

1 Churchill Place
London E14 5HP

Bankers in the occupied Palestinian territories

Bank of Palestine PLC
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P.O. Box 765
Bethlehem

Investment Managers

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PO Box 334, Regency Court
Gategny Esplanade
St Peter Port
Guernsey GY1 3UF

Independent Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH

St John of Jerusalem Eye Hospital Group (a UK Company Limited by guarantee, Company number 7355619, Charity number 1139527) 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).

The School of Nursing Graduating Class of 2019 with Head of the School of Nursing, Nasrallah Khalileh



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 a foundation of the Most Venerable Order of the Hospital of St John, the 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.

THANK YOU

Our vital work is reliant on voluntary income from charitable donations

St John Priory Funding 2019

£ £162k **Australia**, £168k **Canada**, £239k **England and the Islands**, £214k **New Zealand**
£142k **Scotland**, £1.64m **USA (ASHA £146k)** £25k **Wales**

\$ \$207k **Australia**, \$215k **Canada**, \$305k **England and the Islands**, \$273k **New Zealand**,
\$181k **Scotland**, \$2.095m **USA (ASHA \$187k)**, \$32k **Wales**

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 2019. The St John Pories from around the world have once again delivered much-valued assistance to SJEHG and we thank them for their continued support. We are pleased to receive the support of our Patron Lord Vestey.

We are grateful to the Guild, the Friends of St John Society, 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 2019:

The Australian Representative Office (ARO)
under the Direct Aid Program (DAP)

The Bishops Waltham Charity Garden Fair

The Legacy of Kathleen Ann Brown

The Bryan Guinness Charitable Trust

The Cadogan Charity

Cecil Rosen Charitable Trust

The Clothworkers' Foundation

Department of Foreign Affairs and Trade of
Australia (DFAT)

The Edwina Mountbatten & Leonora
Children's Foundation

The Freemasons Grand Charity (Relief Chest Scheme)

The Haremead Trust

Hema Hindocha

The John Swire 1989 Charitable Trust

Karim El-Akabi

Klat Holdings SA

The Knights Templar

Lions Club – Palestine

Timothy Mattar

Guy W Morton

James Nash

The Park House Charitable Trust

The Pilkington Charities Fund

Qatar Fund for Development (QFD)

Stichting Beheer Het Schild

Petter von Sydow

The Valentine Charitable Trust

And other anonymous donors.




**St John of Jerusalem
Eye Hospital Group**

If you would like to support St John of Jerusalem Eye Hospital Group or would like more information, please contact us:

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