

Annual report 2018



Sightsavers

Contents



24



32



42

Spotlight on...

24
Disability

32
Neglected
tropical diseases

42
Policy campaigning

56
Advocacy in eye health

70
Our supply chain

80
Fundraising



On the cover

Five-year-old Filly, from Ruangwa in Tanzania, had been complaining of pain in her eyes. An eye health worker examined her and diagnosed her with trachoma: left untreated, it could have caused her to go blind. Luckily, she was given antibiotic ointment to treat the infection and protect her sight.

© Sightsavers/Jason J Mulikita



What's inside?

04

The context

08

Message from our Chair

10

Strategy, objectives and activities

12

Our portfolio

16

Where we work

18

A snapshot of what we achieved in 2018

20

SIM card: measuring our progress

23

Strategy map

28

Output statistics

36

Progress towards planned objectives

60

Risks and challenges

66

Our challenges in 2018

68

Plans for 2019

72

Structure, governance and accountability

84

Review of financial outcome 2018

94

Key people and suppliers

04 /

The context

- An estimated 36 million people worldwide are blind. The leading cause of this is cataracts.
- An estimated 217 million people have moderate to severe visual impairment. The biggest cause of this is uncorrected refractive error.
- An estimated 1.1 billion people struggle with near vision and need reading glasses.
- More than 75% of all blindness and visual impairment can be prevented or cured.
- More than a billion people, about 15% of the world's population, have some form of disability. Between 110 million and 190 million (2.2% to 3.8%) of people aged 15 and over have significant difficulties in functioning.
- Rates of disability are increasing because of the ageing population and a rise in chronic health conditions, among other causes. Without action, the number of people who are blind could rise to 115 million by 2050.

This data was published in 2017 to update the figures around visual impairment. The figures were included in the International Agency for the Prevention of Blindness (IAPB) Vision Atlas, which Sightsavers helped to fund. This in turn was based on data published in the Lancet. New data is likely to become available from the World Health Organization in the next 12 months.

1 billion
people have some
form of disability,
which is...



of the world's
population



80%
of people with
disabilities live in
low and middle
income countries

36 
million are blind

89%
of people who are
visually impaired live
in low and middle
income countries

217 
million people
have moderate
to severe visual
impairment

75% 
of sight loss
can be prevented
or cured

More than 
1 billion
people have near-
vision impairments
that can be corrected
with reading glasses


x3

Without action, the
number of people who
are blind could rise to
115 million by 2050

Sources:

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

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



One-year-old Bibie, from Ruangwa in Tanzania, was found to have the early stages of trachoma and given antibiotics to treat the infection.

Our vision

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

Our mission

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

08 /

Message from our Chair

This is the last time I will write an introduction to the annual report, as my term comes to an end in July 2019 after nearly nine years. It has been a tremendous experience chairing Sightsavers, and I look back at my time with great pride.

Once again, Sightsavers has had a fantastic year, despite a difficult environment. It has been another year of achievement – a major increase in the number of eye operations we have supported, new grants on disability and neglected tropical diseases (NTDs) and new donors coming on board (through the Audacious programme as well as People's Postcode Lottery).

It has been a particularly strong year for disability, with the first ever Global Disability Summit held in the UK, sponsored by the governments of the UK and Kenya, and the International Disability Alliance. Sightsavers worked hard to make this a success, and we will continue to work with stakeholders to ensure the commitments made are delivered. Two major contracts from the UK Department for International Development (DFID) were announced at the summit – one for Disability Inclusive Development, and the other called 'Inclusion Works', one of DFID's Aid Connect grants. We are leading consortia on these, representing an investment in

disability by the UK government of more than £40 million. Also in 2018, Sightsavers' staff member Gertrude Oforiwa Fefoame was elected to the UN committee overseeing the Convention on the Rights of Persons with Disabilities, and DFID announced its new disability strategy.

Our work to tackle NTDs also made great strides, as contracts were signed for a major programme to eliminate trachoma across a swathe of countries in Africa. Donors including the Bill & Melinda Gates Foundation, the Children's Investment Fund Foundation, ELMA Foundation and Virgin Unite, as well as the Commonwealth Summit fund, have committed more than £100 million in total. We have also agreed a further contract with DFID, called Ascend, for more than £90 million (with an option for DFID to extend to up to £150 million) for an integrated NTD programme across West Africa and Democratic Republic of Congo. These contracts represent a huge change in investment in our NTD programmes for the next five years.

During the year, Ghana became the first country in sub-Saharan Africa to eliminate trachoma as a public health problem, as validated by the World Health Organization. This shows what is possible with investment, determination and partnership working.

We were pleased to see large increases in the number of eye operations performed, mainly for cataracts, although we are still struggling to gather data to show the wider impact we are having on eye health. One of our worries is how to increase funding for eye health work, which seems to have been less attractive than our NTD and disability work, particularly to institutional donors. Some corporates and foundations are closing their eye health funding streams (notably Standard Chartered), so finding new funding will be a challenge.

We remain concerned about the impact of conflict and civil unrest in the countries where we work. In several areas the situation has deteriorated, for example in Cameroon. Natural disasters have also caused serious problems: as I write, the full implications of Cyclone Idai for Mozambique, Zimbabwe and Malawi are unclear.

It was a record year for voluntary income, with growth in all our markets. Given the backdrop of continuing media negativity about foreign aid, of ongoing safeguarding issues, and of uncertainty surrounding Brexit, this is a really strong performance.

Great efforts were made to improve our regulatory compliance and achieve value for money. Ensuring our GDPR responsibilities were met, and that our response to safeguarding issues was professional and robust, as well as securing our licence from the Medicines & Health Regulatory Authority, were all vital to maintain our credibility and integrity. Early in 2019, we achieved 100% compliance with DFID's Supplier Code. We undertook a major revamp of our procurement processes, which will significantly improve value for money.

None of this could have been achieved without our magnificent staff. As a board, we were delighted with the results of the

staff survey, in which 95% of staff said they were incredibly engaged with Sightsavers' mission. We were pleased to see such positive responses to the questions about trust in the leadership of the organisation, and those about ethical behaviour. In the current climate, this is a very important touchstone to ensure we have a positive culture.

When I look back over my time at Sightsavers, there are some magical moments to remember: watching Professor Stephen Hawking speak at our NTD event in Cambridge in 2017, not long before he died; seeing us build an ever-stronger relationship with DFID, not just in terms of grants, but in terms of policy engagement; and seeing the organisation grow in confidence and influence. But the most touching moment for me was witnessing an elderly man in Mozambique regain his sight after a cataract operation, enabling him to see his family for the first time in 22 years. I cannot remember a moment that better demonstrates why I feel Sightsavers' work is so important.

So thank you to all who have made the achievements possible – supporters, partners, staff and, of course, my fellow trustees. I also feel fortunate to have worked with such an outstanding CEO as Caroline Harper, who continues to lead the organisation with extraordinary energy, dynamism and creative flair.

Finally I wish my successor, Sir Clive Jones, all the best and have no doubt that the organisation will continue to go from strength to strength under his leadership.

Martin Dinham
Chair

10/

Strategy, objectives and activities

Our strategy was conceived in 2008, then reviewed and refreshed in 2011 and 2014, continuing until 2019. We began reviewing the strategy again in October 2018, with a full discussion at our trustees' away day in January 2019. The review will include a look back on the 10 years since the strategy began, to assess what has been achieved, what we have learned and what gaps exist. We will also ask key questions to help us understand how the strategy should evolve.

The current strategy is shown in our scorecard, or Strategy Implementation and Monitoring (SIM) card (see page 20). Each element has detailed sub-strategies, and indicators that measure performance. We expect the SIM card objectives and indicators to change as a result of the refresh.

There are four ultimate aims shown at the top of the SIM card, which link directly to our objects on health, education and inclusion. The first two aims are about governments ensuring eye health and education services (the 'supply side') are available to all. The third is about securing equality for people with visual impairments, and governments implementing the agreed conventions. The fourth is the 'demand side', covering both inclusion and health

objectives, and is about people with disabilities being able to seek healthcare.

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

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

The strategy review will examine each objective and the accompanying indicators to explore how they should be updated. Our vision, mission and objects will remain the same.

Image: At Chikonkomene Primary School in Zambia, Lamik teaches his five-year-old sister Grace to wash her face and hands to help prevent the spread of diseases.



7.3 million
cataract operations
have been supported
by Sightsavers
since 1950

225,000 people
with disabilities have
been given training
to help them
earn a living

12/

Our portfolio

Eye health

We believe affordable health coverage should be available to all. We strive to improve local health systems by:

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

These are the building blocks set out by the World Health Organization (WHO), and we are working towards the WHO Global Action Plan for Universal Access to Eye Health.

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

In several countries, we work with ministries of health to develop and run district eye care programmes. In larger

programmes, we work with international non-governmental organisations (INGOs) such as Fred Hollows Foundation, Helen Keller International and Orbis. We also work with non-governmental organisation (NGO) hospitals, particularly in South Asia.

Our district eye care programmes continue to show how we can improve eye health coverage so it is sustainable. We recently reviewed five programmes in Nigeria, which we no longer fund, and are pleased that activities such as cataract surgery are continuing several years after funding ceased.

In 2018, we expanded our work to ensure our eye health programmes are inclusive of people with disabilities, women and other marginalised groups by launching a new project in Mozambique that tests interventions in rural areas of the Nampula province.

We won a new UK Aid Match grant funded by DFID, also focusing on inclusive eye health. This programme started in 2018 in Bangladesh and Pakistan, looking at how to make health services in south Asia more accessible for people with disabilities.



Truck drivers from Uttar Pradesh in northern India line up to get their eyes checked at a screening camp, part of a project to improve the eye health of India's five million truckers.

Education

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

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

We work with ministries of education, and sometimes other ministries, as well

as universities, community groups and disabled people's organisations.

We have continued to develop our education work in West Africa through projects funded by Irish Aid in Senegal and Cameroon. These projects concentrate on inclusion in primary education and cover a wide range of disabilities, with an emphasis on developing and improving local education systems.

In 2018, our work to promote inclusive education in Senegal was recognised in an event organised by the Senegalese EU delegation. The event, held in a Sightsavers-supported school, was attended by political advisors of 13 of the EU member states.

Social inclusion

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

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

Evidence of our strong partnerships and organisational experience in leading consortia was provided when Sightsavers, as consortium lead, won two large bids from DFID to deliver Disability Inclusive Development (DID) and inclusive formal employment (Inclusion Works).

Irish Aid continues to support projects in Cameroon and Senegal focusing on political participation, including elections and local development decision-making, working with ministries, councils, DPOs, community groups and women's associations. The National Lottery Community Fund (formerly the Big Lottery Fund) awarded us extra funding for safeguarding that builds on its existing contributions alongside the EC, to support young people with disabilities in Uganda to gain employable skills.

Inclusion in eye health and other health programming has taken off this year, with increased funding for several inclusive eye health projects. It has generated external interest in Sightsavers' partnerships with other organisations that focus on inclusion within other health initiatives.

800 million
people with disabilities live in developing countries



Many of them are denied basic human rights, meaning...

12%
of the global population is being left behind

Neglected tropical diseases (NTDs)

Our NTD strategy is laid out in the document 'Now is the Time to Say Goodbye to NTDs'. This sets out our goals over the next few years as we move towards eliminating most of the diseases we treat. We intend to update this as part of our strategy refresh.

Our NTD work aims to:

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

Our contracts and donors are becoming more complex, and we strive to ensure our plans take account of other activities by discussing them with ministries and reaching out to other donors and partners to understand how their plans can fit with ours.

In the next few years, our NTD work will be underpinned by two major programmes: Accelerate and Ascend (see page 34). We are also working with the Bill & Melinda Gates Foundation and ESPEN (part of WHO AFRO) to map onchocerciasis across Africa.

Since 2014, Sightsavers has hosted the support centre for Uniting to Combat NTDs, a global partnership on NTDs. The centre's activities are currently funded by the Bill & Melinda Gates Foundation.

At the moment, a major review is being carried out by consultants of the overall partnership (and therefore the role of the support centre). We are participating in this, and the results should be known by June 2019.

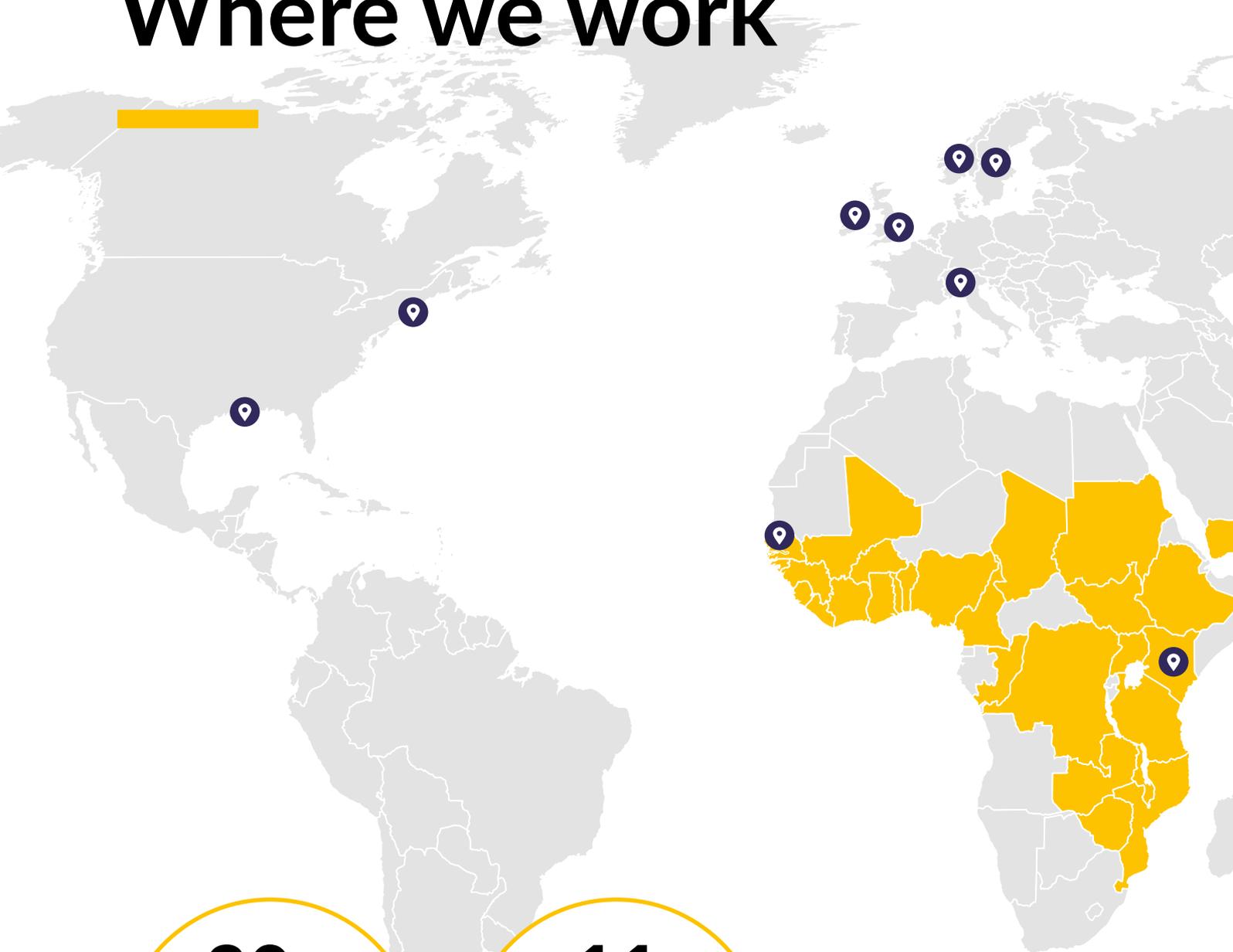


Tracey took part in the Super School of Five programme in Zambia, which teaches children about good hygiene to prevent the spread of disease.

© Sightsavers/Jason J Mulikita

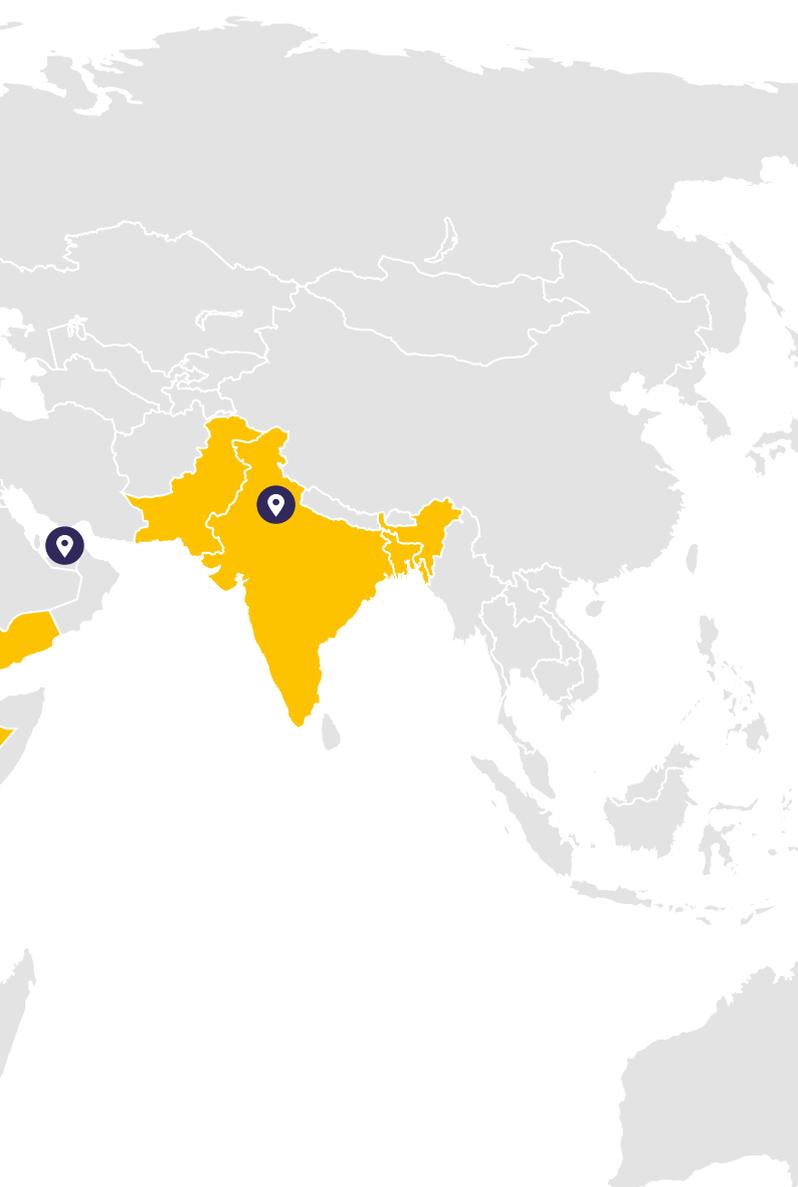
16/

Where we work



30+
countries
where we
work

11
regional and
support
offices



 Where we have programmes

 Regional and support offices

Central Africa

Cameroon
Chad
Democratic Republic of Congo
Republic of Congo

Eastern Africa

Ethiopia
Kenya
Malawi
Mozambique
South Sudan
Sudan
Tanzania
Uganda
Zambia
Zimbabwe

Western Africa

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

Asia

Bangladesh
India
Pakistan

18/

A snapshot of what we achieved in 2018

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



Disability

- We launched two groundbreaking disability inclusion programmes: Inclusion Works and Disability Inclusive Development.
- The inaugural Global Disability Summit took place in July in London, setting a strong agenda for governments and world leaders.

See page 24

Neglected tropical diseases (NTDs)

- A huge new contract was signed for the Accelerate Trachoma Elimination Programme, backed by a \$105 million philanthropy fund.
- Our work in Ghana helped it to become the first sub-Saharan country to eliminate trachoma as a public health problem.

See page 32

Policy campaigning

- Our Put Us in the Picture campaign called for world leaders to honour the commitments made at the Global Disability Summit.
- We also successfully campaigned to address gender imbalance on the UN's disability committee.

See page 42



Advocacy in eye health

- We worked with WHO to develop landmark guidance about the human resources needed to deliver eye health services in Africa.
- We encouraged countries including Zambia, Uganda and Malawi to integrate eye care into mainstream health systems.

See page 56

Supply chain

- We redeveloped our supply chain quality management system and achieved good distribution practices certification.
- As a result, we obtained our MHRA licence to enable us to distribute pharmaceutical products to our partners.

See page 70

Fundraising

- It was a record year for Sightsavers' voluntary income, with our Christmas mailing raising more than £1 million.
- We forged a partnership with People's Postcode Lottery that has so far raised £1.1 million, with more draws to come in 2019.

See page 80

SIM card

Results of beneficiary indicators (for all indicators and more details, see www.sightsavers.org/sim)

Objective	Indicator	Previous result	Target	Result	Status	Trend	Frequency	Performance notes
Demonstrate scalable cost-effective approaches to eye health	Lag: % of countries where Sightsavers has an eye health project that demonstrate improved access to eye care services that are integrated into health systems, where this can be measured	50	60	20	Below Target		Annual	As one of our key programme performance indicators, this is a disappointing result, and follows a trend of the past three years. And yet it comes at a time when our cataract output numbers overall are increasing. This apparent inconsistency arises because it is more straightforward for us to collect accurate data on the programmes we directly support than it is to get accurate data on the national picture, in most countries. In addition, as we are seeking to contribute to wider eye health delivery in the country and not just in programme areas, we look to see if the national CSR has improved. This is a valid proxy, but in addition to depending on accurate data from the government, it depends on wider health service delivery, outside of our programme areas. We therefore expect a lag to some degree.
	Lead: % of countries where Sightsavers has an eye health project that have contributed to identification of gaps/needs through an eye health system assessment in the past 10 years	60	68.75	57.14	Below Target		Annual	It is worth noting that in most cases where a national review has not been carried out, we have carried out more localised assessments to ensure our work is evidence-based. However, national assessments help us to ensure our programme investments are targeting the right areas of the eye health system and must be carried out regularly (not frequently). It is therefore not good news that we have missed our target. We will seek to address this in the new thematic strategy from 2020.
	Lead: % of countries where Sightsavers has an eye health project that have contributed to identification of gaps/needs through a prevalence survey in the past 10 years	80	80	85.71	On Target		Annual	In contrast to results on conducting eye health systems assessments mentioned above, performance against this more intervention-area-specific indicator is good. This is the foundation of evidence-driven programming, so it is good to see that performance is improving year on year.
	Lead: % of health projects with clearly defined strategies to improve access by people with disabilities	27.27	30	36.11	On Target		Annual	It is encouraging to see progress in this area, which is really about the interface between different elements of Sightsavers' programme approach. There is some disparity in the evidence provided, with some indicating more of a series of activities than a strategic approach. However, overall there is an improvement in the nature of the work described and progress since last year.
	Lead: % of health projects that reach more women than men	N/A	51	46.88	Approaching Target		Annual	This was the first year where we moved from tracking strategies to improve gender equity in outputs, to reporting on outputs. As a result, we're unable to look at trends, but targeting was broadly on line and there is good evidence provided for positive results. Most of those answering negatively have plans in place to improve.

Objective	Indicator	Previous result	Target	Result	Status	Trend	Frequency	Performance notes
Demonstrate scalable approaches that promote inclusive education	Lag: % of countries with education projects where the government has an education policy in line with the United Nations Convention on the Rights of Persons with Disabilities (CRPD)	22.22	30	30	On Target		Annual	As should be the case for a systems-based lag indicator, this is a complex indicator to report against. The trend analysis over the past five years shows steady progress, which is what we would expect as programmes mature, provided there is no slippage in government policy. The quality of evidence provided is still variable and in particular it would be good to fully understand how CRPD-compliant policy is being assessed. Nevertheless, overall this indicator shows steady progress in a complex area and should be noted as a significant achievement for Sightsavers' strategy.
	Lead: % of education projects that are suitable for replication/adoption by government or other service providers	88.89	85	80	Approaching Target		Annual	This is one of the few indicators to have remained the same throughout much of the current strategy period, and therefore allows for good trend analysis. Overall, steady progress has been made in an area at the heart of our strategic approach. As with the lag indicator for education, this is a difficult indicator to provide a full positive answer to, given it is aimed at replication and not the output level. Evidence provided is of varying quality and some conclusions need to be further examined, but as a whole, the progress made feels a reasonable judgement.
Demonstrate approaches that positively affect inclusion and empowerment of people with disabilities	Lag: % of countries that meet at least four of the eight criteria on our social inclusion index	69.23	69	53.85	Below Target		Annual	A number of countries (Cote d'Ivoire, Mali, Tanzania, Zimbabwe) have seen a decline from answering positively a year ago. We do not have active social inclusion programmes in any of these countries, so our ability to influence the overall national domestic policy environment is limited. Nevertheless, it is important we continue to measure the inclusive policy environment in all countries where we work, partly to inform future portfolio priorities. This explains the slight reduction against the trend of general improvement over the past few years. There is clear positive progress if you look into the detail. In the countries where we continue to score positively overall, the number of criteria with a positive result has increased in five countries (Cameroon, Ghana, Kenya, Senegal and Zambia), and decreased in only one (Uganda). This shows that progress continues to be made, and also underlines the strength of a matrix approach to scoring this indicator. Overall, rights enshrined in legislation scores highly, but the implementation of these, or national policy, remains weak. Reporting against the CRPD and allocation of resources across departments is patchy, as is the disaggregation of data, although this is improving thanks to the sector's focus on this area. Sightsavers being among the strongest advocates for this. Access to voting and banking services score poorly, the latter particularly so. We have a current focus on political empowerment, but clearly financial services remains an area needing a great deal of extra attention.
	Lead: % of countries where we run social inclusion and/or education projects that can demonstrate effective inclusion and empowerment of people with disabilities	75	75	75	On Target		Annual	This is another matrix indicator that demonstrates a good level of overall progress over the past four years. As a lead indicator, this is focused on areas within our control and, in particular, on the process of inclusion within our programmes. There is no doubt that increased effort is being made to address the issues of inclusion and meaningful participation by people with disabilities within programmes. Behind the overall numbers, however, there are a range of approaches taken, some of which may not fully comply with our definition of inclusion. For example, consultation with mothers of children with disabilities is not the same as consultation with the children themselves, nor with a DPO with experience in education.
	Lead: % of health, education and NTD projects with clearly defined social inclusion strategies to include people with disabilities	61.86	55.30	64.36	On Target		Annual	While this indicator is useful to have as an amalgamation across our entire portfolio, the data is derived from our eye health, education and NTD indicators. As the trend is one of improvement across those indicators, that is reflected here.

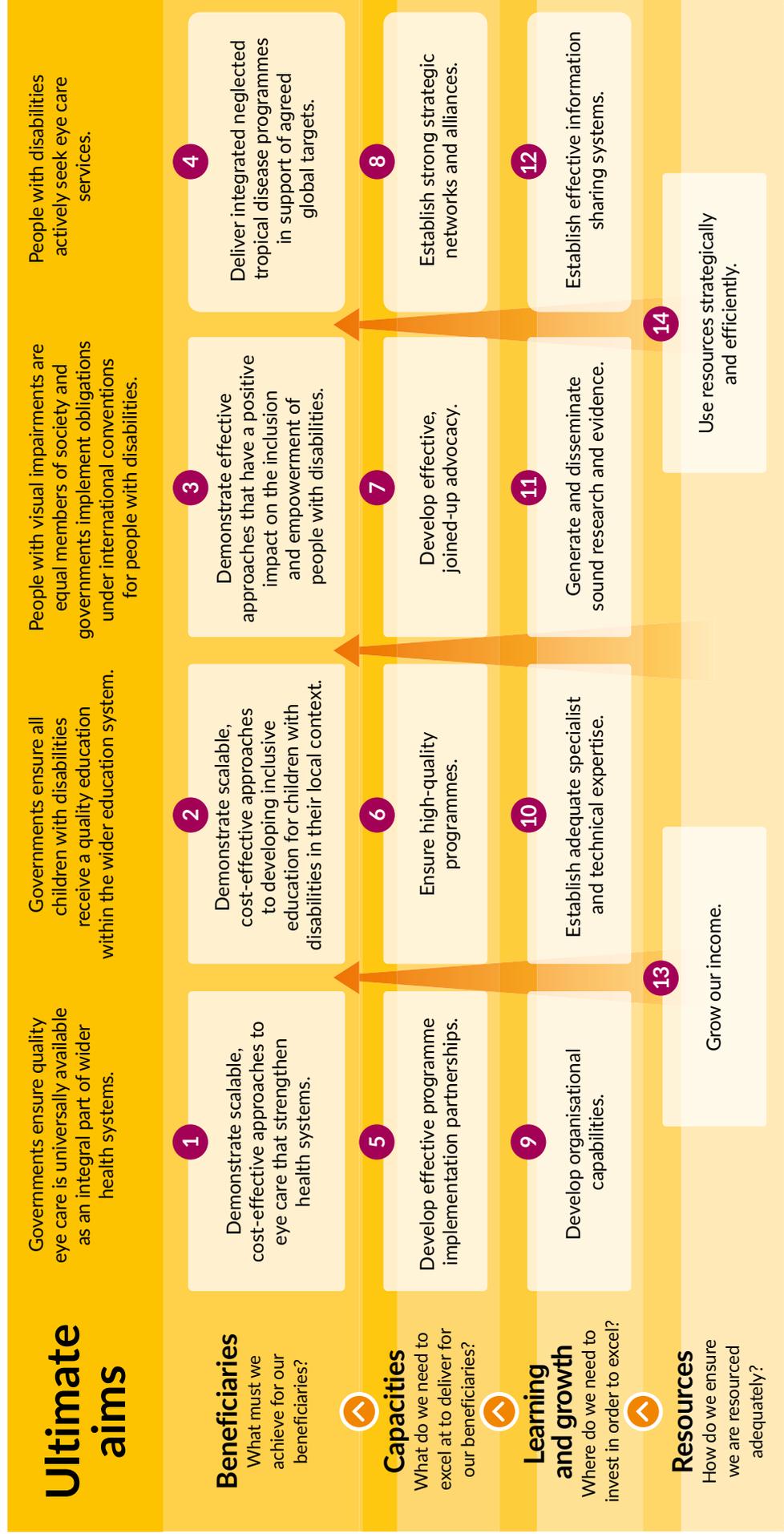
Objective	Indicator	Previous result	Target	Result	Status	Trend	Frequency	Performance notes
Deliver integrated NTD programmes in support of agreed global targets	Lag: % of countries where Sightsavers supports specific NTD disease projects that are meeting national milestones to eliminate or control these specific NTDs	83.33	90	91.67	On Target		Annual	The majority of countries are now meeting national milestones that are identified in a NTD master plan, based on WHO guidelines. Meeting national milestones means that treatment targets are being met. Much work is needed to bring the countries over the line for elimination (onchocerciasis, lymphatic filariasis and trachoma) or full control (soil-transmitted helminths and schistosomiasis). At this stage in the elimination/control cycle, this result is to be expected given NTD programme reach. We have improved our ability to work in countries in conflict by working with new specialist partners, but there are specific programme issues in certain countries being targeted. Four countries (out of 22) are not meeting targets in one or more NTD. One is because of continued conflict and three because of a particular issue with one or more NTDs (usually related to the drug supply chain).
	Lead: % of projects that meet or exceed their MDA targets for therapeutic and geographical coverage	95.56	95	92.31	Approaching Target		Annual	A number of projects remain under target: these are largely those operating in areas of conflict or political instability (for example, in Cameroon MDA was postponed given the conflict in the Anglophone provinces). Drug supply chain issues (such as delayed drug shipments or delays in clearance of drugs shipped) also affect coverage.
	Lead: % of NTD projects with clearly defined strategies to improve access by people with disabilities	78.18	80	80	On Target		Annual	We have collected data on this indicator for four years. This was always to be the most challenging indicator for our NTD work and was set very high to promote action. This is the first time we have met the target. This has been seen as a long-term plan to ensure that all projects have a strategy to ensure people with disabilities can access treatment. Year one was essentially finding out where we were. Year two was undertaking remedial action on areas such as training community health volunteers across all projects, and ensuring access by all vulnerable groups (including people with disabilities) was addressed as part of training and re-training. Year three and four was going back to refresh the principles of community-directed interventions when managing our NTD work at country level. A number of projects and countries still do not have an agreed approach, and they will be prioritised for improvement in 2019. Country programmes that have not developed strategies are mainly Francophone countries.

Our objects, as stated in our Charter

- To advance health, always with particular emphasis on taking or promoting measures to prevent and or cure blindness.
- To advance the education of people with disabilities, always with particular emphasis on people who are blind or visually impaired.
- To prevent or relieve poverty among people with disabilities, always with particular emphasis on people who are blind or visually impaired.

SIM card: Strategy map

Our vision: A world where no one is blind from avoidable causes and people with disabilities can participate equally in society.
Our mission: To eliminate avoidable blindness and promote equal opportunities for people with disabilities.



Spotlight on...

Disability

Image: Floreal, from Cameroon, voted for the first time in 2018 following a Sightsavers campaign to make sure people with disabilities are included in the political process.

In 2018, Sightsavers achieved several historic milestones in its work to promote disability rights and ensure equality for people with disabilities.

July 2018 marked the start of two groundbreaking programmes to improve the long-term wellbeing, empowerment and inclusion of people with disabilities in low and middle income countries, including in conflict and humanitarian settings. The two programmes are part of the Inclusive Futures initiative, which aims to ensure people with disabilities are able to represent themselves and make their own decisions.

Inclusion Works, running in Bangladesh, Kenya, Nigeria and Uganda, focuses on strengthening labour markets to be more inclusive, and forging partnerships between the public and private sector, national employer federations, trade unions and disabled people's organisations. During the design phase, in-depth consultations were carried out in each country, and people with disabilities were invited to work with other stakeholders to influence the programme's design. The programme itself will begin in summer 2019.

Meanwhile, the Disability Inclusive Development programme aims to increase equitable access to health and education, improve quality of life, and reduce negative stereotyping and discrimination for people with disabilities in Kenya, Nigeria, Tanzania, Bangladesh, Nepal and Jordan. The six-year programme is overseen by Sightsavers and the International Disability Alliance, and implemented with a consortium of 11 organisations. It is funded by UK aid through a commercial contract with the UK Department for International Development. [▶](#)



- Both programmes will gather evidence on how to achieve equality and inclusion for people with disabilities, and will share the lessons they learn with governments and communities around the world to encourage change both nationally and globally.



Inclusion Works is funded by UK aid and led by Sightsavers, with partners including International Disability Alliance, Action on Disability and Development, Institute of Development Studies, BBC Media Action, Development Initiatives, and Benetech.

The **Disability Inclusive Development** consortium comprises Action on Disability and Development, BBC Media Action, BRAC, Humanity and Inclusion, International Disability Alliance, Institute of Development Studies, Leonard Cheshire, Light for the World, Sense International, Sightsavers, and Social Development Direct.

The Global Disability Summit

The first ever Global Disability Summit was hosted by the UK in July 2018, bringing the international community together to share knowledge, make new commitments and ensure inclusion for people with disabilities is at the heart of international development.

The summit focused on four themes: Dignity and Respect for All, Inclusive Education, Economic Empowerment, and Technology and Innovation. Sightsavers worked with DFID, multilateral partners and governments to shape the policy discussions held at the summit to ensure it delivered real change for people with disabilities.

In particular, before the summit we focused on promoting the inclusion and participation of people with disabilities in national-level discussions on disability (in Bangladesh, Cameroon, Ghana, Kenya, Malawi, Nigeria, Pakistan, Senegal, Sierra Leone, Uganda, Zambia and Zimbabwe). We also called on governments to commit to clear, deliverable disability goals, for which they will be held accountable.

The momentum generated by the summit has set a strong agenda on disability, and we look forward to working with governments and our partners to deliver that change.

Nigeria Disability Bill

After years of advocacy by disability rights activists, including Sightsavers, the Nigeria Disability Bill passed into law in early 2019. It is a significant milestone for disability inclusion in Nigeria: the country now has a legal framework that recognises the rights of people with disabilities, as outlined in the UNCRPD.

The Discrimination Against Persons with Disabilities (Prohibition) Act 2018 aims to ensure “the full integration of persons with disabilities into the society”, and establishes the National Commission for Persons with Disabilities to take responsibility for education, health care, and social, economic and civil rights for people with disabilities.

This is the culmination of many efforts, including work done during Nigeria’s voluntary national review of implementation of the UN’s Sustainable Development Goals, as well as the commitments that the government of Nigeria made at the Global Disability Summit.

© Sightsavers/Brendan O’Sullivan



Images: Sightsavers hosted a reception at the world’s first Global Disability Summit in July, which took place in London.



28/

Output statistics

Global output statistics summary		2015 totals	2016 totals	2017 totals	2018 totals
Eye health	No. of people examined	12,712,182	12,052,091	14,093,230	16,364,038
	No. of operations performed (cataract, glaucoma surgery, diabetic retinopathy, trichiasis and other general eye operations)	334,156	344,023	389,000	425,148
	No. of operations for cataracts	252,044	260,930	316,243	355,630
	Spectacles dispensed	207,832	286,774	383,117	456,934
Neglected tropical diseases	No. of treatments for trachoma	22,623,927	24,690,187	27,604,538	16,834,510
	No. of treatments for river blindness	47,561,810	46,918,726	48,155,576	39,725,468
	No. of treatments for lymphatic filariasis	50,615,561	60,113,118	56,561,328	45,187,264
	No. of treatments for soil-transmitted helminths	14,428,580	16,728,965	11,873,445	3,999,328
	No. of treatments for schistosomiasis	6,768,679	5,773,756	13,039,523	5,631,054
	Total NTD treatments	141,998,557	154,224,752	157,234,410	111,377,624
Education/inclusion	No. of children who are blind, have low vision or other disabilities being supported in school	3,252	5,162	7,752	8,500
	No. of people who are blind, have low vision or other disabilities who received training (eg daily living skills, mobility and orienteering, vocational training or rights and entitlements training)	16,097	13,124	13,359	22,716

Global output statistics summary		2015 totals	2016 totals	2017 totals	2018 totals
Human resource development	No. of health workers trained to gain initial professional qualification (includes ophthalmologists, cataract surgeons, ophthalmic clinical officers/ ophthalmic nurses, optometrists, low vision specialists and technicians)	39	67	39	25
	No. of professionals supported on eye health short courses	41,651	54,040	72,781	61,461
Human resource development	No. of professionals supported on education or inclusion short courses	3,899	6,161	60,479	30,486
Volunteers	Total number of village-level volunteers trained (includes community distribution of treatment, primary eye care, education and inclusion courses)	219,516	259,670	267,972	246,194

Commentary

A Eye health

The number of eye health examinations undertaken by Sightsavers is heavily influenced by our Lady Health Workers project in Pakistan. This project delivered 50% of global examinations in 2018, a lower percentage of the global total than in 2017 because our activities expanded elsewhere, notably in India.

Our year-on-year performance has also increased in Tanzania, because of a high number of screenings in our project in Singida, and in Kenya, where we used a door-to-door 'sweeping' approach to find trichiasis surgical cases. We expect the number of examinations to fall in 2019 because of a strategic redesign of our Lady Health Workers project, which will now only report examinations conducted by staff attached to rural health centres. This will improve the audit trail and data quality.

Sightsavers helped to provide 12% more cataract operations in 2018 than in 2017. Significant increases were seen in India, where a rising number of screenings meant more people were referred for surgery. The proportion of women receiving cataract surgery has increased following efforts to improve sensitisation within the communities. In Africa, we performed 10% fewer surgeries as the EC-funded eye health initiative in Sierra Leone wound down, along with the CATCH programme in East Africa. We are keen to obtain more funding for eye health programmes in Africa to reverse this trend.

The number of trichiasis surgeries fell slightly year on year, the biggest impact coming from issues around retaining surgeons in Ethiopia. More districts are reaching their elimination targets. Numbers in Nigeria increased as we introduced the door-to-door 'sweeping' approach to find cases.

An increase in the number of spectacles that have been distributed is driven by the rise in eye examinations in India, plus a significant increase in the number dispensed in West Africa under our Irish Aid-funded programmes.



© Sightsavers/Jamshyd Masood

After sight-saving cataract surgery, Zamurrad, from Pakistan, was able to see her daughter for the first time in years.

Sightsavers
helped to provide
12%
more cataract
operations in 2018
than in 2017



B NTDs

The NTD treatments reported come from two types of source – our large coalition grants and those where Sightsavers is funding directly (whether by restricted or unrestricted funds). We report all outputs, including those where our INGO partners support implementation, so we are able to show the overall impact of the grants we are managing.

The total number of treatments has decreased by 29% since 2017. A significant driver for this is that we are moving to a post-MDA surveillance phase in a number of countries. However, there have also been issues that have affected our ability to distribute medication, from delays in drug delivery or release from customs (notably in Kenya and Nigeria) to security issues (notably in Cameroon).

The Kenyan issue was resolved in early February 2019, so treatment there has resumed. In Nigeria, following intensive advocacy efforts, we were able to undertake schistosomiasis treatment but this was severely delayed and our capacity was diminished. One of our biggest schistosomiasis programmes is based in Nigeria, and this has significantly affected the 2018 schistosomiasis figures.

C Education

The number of children that Sightsavers supports has increased by 11% since 2017, mainly driven by our inclusive education projects in India (which make up 75% of the total). However, in India we employ an indirect support model that focuses on broader curriculum development, teacher training and strengthening the policy environment, and not on supporting individual children to attend school.

In Africa, the project approach is a mix of direct and indirect support, with individual children often given significant investment

and support as part of programme activities. 2,181 children in Africa received this in 2018, including 811 children in our project in Bombali district in Sierra Leone (against a target of just 100), thanks to the success of community advocacy for inclusive education mainstreaming in schools.

D Social inclusion

The number of people trained has increased by 70% compared with 2017. Our inclusion portfolio grew in 2018 with the launch of a new phase of our Mozambique Nampula Eye Health project and our UK Aid Match programme in Pakistan and Bangladesh. In each of these, baseline data was collected by disability using the Washington Group questions.

E Human resource development

Although there was a fall in the number of health workers receiving a professional qualification in 2018, this was in line with expectations. Newly qualified professional eye health workers include seven new ophthalmologists (three in both Uganda and Guinea, and one in Sudan), two cataract surgeons, three ophthalmic nurses and 13 ophthalmic clinical officers.

The number of professionals trained on eye health short courses decreased by 16% from 2017, mainly because of the challenges of accessing praziquantel to treat schistosomiasis in Nigeria, which reduced the scope for teacher training. The number of professionals supported on education or inclusion short courses has decreased by 50% from 2017. Of this total, 76% received training through the Bihar Inclusive Education project, yet this still represents a shortfall of 11,829 staff trained compared with the 2018 target for the project. This is because of a delay in transferring resources from the state to the districts that prevented any teacher training activity from taking place.



Spotlight on... Neglected tropical diseases

Image: Rabia has her eyes checked for trachoma at school in Tanzania.

2018 was a truly momentous year for Sightsavers and partners in the journey towards controlling and eliminating neglected tropical diseases (NTDs).

Charity evaluator GiveWell named Sightsavers one of its top charities for the third year running, for our work treating children for intestinal worms and schistosomiasis (a process known as deworming). In its analysis, GiveWell estimated a 50 per cent increase in our cost-effectiveness. In recognition of this feat, we're proud to have been awarded a \$9.7 million grant from GiveWell to scale up deworming projects in five countries.

Last year we worked with partners to develop stronger, more efficient ways to map the spread of river blindness by launching the Onchocerciasis Elimination Mapping Project. The collaborative project is being carried out in close coordination with WHO and ESPEN, the Task Force for Global Health, the Bill & Melinda Gates Foundation and many other partners.

Sightsavers and partners also started to expand efforts to find and treat people suffering from debilitating conditions caused by lymphatic filariasis (LF), then supporting them through their care.

Many of the countries where we work celebrated watershed moments in 2018, such as Uganda, which announced that river blindness is no longer being spread in 14 of the 17 areas of the country where it was previously common. ➤



◆ Historic progress toward ending an ancient and blinding disease

2018 was a significant turning point in the history of trachoma. In April, our plan to eliminate the disease was named as an Audacious Project – an initiative hosted by media organisation TED to turn transformative ideas into action. Our CEO, Caroline Harper, launched the ambitious plan during her TED Talk, which has been viewed more than 1.3 million times.

As a result, some of the biggest names in modern philanthropy set up a \$105 million fund announced by Richard Branson at the high-profile Global Citizen concert in Johannesburg. The funding supports the Accelerate Trachoma Elimination Programme, which aims to eliminate trachoma in at least 10 countries, make significant progress in several others, and build on groundbreaking research into the link between the antibiotic used to treat trachoma and a fall in childhood deaths.

In May 2018, war-torn Yemen launched its first trachoma treatment programme, with support from international organisations including Sightsavers as well as local communities. Treatments were delivered by 4,000 predominantly female volunteers to nearly half a million people in the country.

This huge achievement shows what collaboration and teamwork can achieve, even in a country besieged by conflict. As momentum builds towards global elimination of trachoma, it's vital that communities in areas of conflict and crisis, such as Yemen, are not left behind.

A historic milestone towards trachoma elimination came in June 2018, when the World Health Organization announced that Ghana had become the first country in sub-Saharan Africa to eliminate trachoma as a public health problem. The disease was eliminated through the work of the Ghana Health Service and many partners, including USAID and INGOs such as Sightsavers and the Carter Center, and was achieved by implementing the WHO's

SAFE strategy, incorporating surgery, antibiotics, facial cleanliness and environmental improvements.

This shows that the SAFE strategy is working and that eliminating trachoma is possible, paving the way for many other countries to follow. We are on the verge of eliminating trachoma, but more funding and support is needed so we can finish the work we've started.

Sightsavers and Ascend

Last year Sightsavers worked with partners to submit a bid to the UK government's Department for International Development to help control and eliminate NTDs. As a result, £90 million has been awarded to Sightsavers and partners to lead the new Ascend West and Central Africa programme between 2019 and 2022. This large-scale initiative will deliver more than 400 million treatments to protect people at risk of up to five NTDs in 13 countries. It will support several countries to eliminate NTDs as a public health problem and help transform millions of lives.



© Sightsavers/Jason J Mulikita

Seven-year-old Muksin, from Tanzania, was found to have trachoma during an eye screening at his school. He was given ointment to treat the infection.

Gathering data in remote areas to help eliminate NTDs

For countries to eliminate neglected tropical diseases, they need high-quality data to show where treatment is needed. As they get closer to elimination, high-quality surveys and data analysis become even more important.

The Tropical Data initiative supports countries across the world to collect this data, to show where progress is being made and identify if more treatment programmes are needed. It is run by a consortium of partners including the International Trachoma Initiative, the London School of Hygiene and Tropical Medicine, RTI International and Sightsavers.

As more countries progress towards NTD elimination, these numbers are set to increase even further.

NTDs are most likely to affect people living in remote rural regions, poor urban areas and conflict zones. To respond to this, in 2018 the Tropical Data service supported ministries of health to conduct the first trachoma surveys in Central African Republic (CAR). Tropical Data also helped to carry out mapping in refugee camps in Cameroon, Ethiopia, Uganda and Zambia.

Another key milestone was achieved last year as Tropical Data reached 1,000 areas (referred to as 'evaluation units' or EUs). The 1,000th EU was Nangarhar in Afghanistan, a country that had never had a standardised trachoma survey because of complex security and logistical challenges. Work in Afghanistan was led by the Ministry of Health and supported by local NGO HealthNet TPO and Fred Hollows Foundation.

Since Tropical Data started in 2016, it has:



Supported **35 countries** to collect data about NTDs



Surveyed a total of **1,191 areas**, known as 'evaluation units'



Examined more than **3.5 million people** for signs of disease



Carried out the **first trachoma surveys** in Central African Republic

36/

Progress towards planned objectives

Delivering for our beneficiaries

What we planned to do	What we did
<p>Build our portfolio of eye health and social inclusion programmes</p>	<p>We achieved significant progress in eye health with the inception of long-term programmes in Nigeria and Liberia and a strategic decision to increase investment in Mozambique and Mali, as well as continuing at scale programmes in South Asia. We strengthened our eye health portfolio in East Africa with increased investment in eye health in Tanzania and started new child eye health programmes in Liberia, Tanzania and Nigeria.</p> <p>In social inclusion, beyond winning two major bids from DFID (see page 24), we saw clear progress in several social inclusion strategy areas, with continued growth and development of our economic empowerment programme in Uganda, in inclusive education (several new programmes across Africa and Asia) and political participation, particularly in West Africa (funded by Irish Aid).</p>
<p>Improve the connection between different parts of the organisational strategy, in particular maximising opportunities from existing grants to gain synergies</p>	<p>The Accelerate programme is an excellent example of different parts of the organisation working together towards a common objective. Staff from communications, fundraising, partnership and programmatic areas came together to design a hugely strategic programme in NTD elimination and take it through the first part of inception.</p> <p>On the programme side specifically, a number of programmes are seeking to deliver against several strategic aims at the same time. The expansion of our inclusive eye health approach to five new countries brings together population-based health and social inclusion objectives for specific marginalised groups. The expansion of our school eye health approach to three new countries links health and education aims. And the research efforts on the CATCH programme (see page 59) are a key part of our ongoing efforts to better understand how we link NTD programmes post-elimination with the ongoing health system needs in eye health and beyond.</p>

What we planned to do	What we did
<p>Ensure delivery under all key existing programmes and the efficient inception and start-up of new large grants and contracts</p>	<p>At a global level, we have strengthened capacity across a range of support functions that are key to establishing effective new projects and implementing those already under way. We established programme management units for a number of large grants and contracts, ensuring that there are both programmatic and financial resources focused specifically on our Accelerate, Inclusion Works and Disability Inclusive Development (DID) contracts.</p> <p>DFID's first performance assessment of the DID programme was positive, scoring well across all contract management KPIs. The consortium has delivered four key task orders to DFID for approval, and intervention concepts have been designed in draft across the six countries. Since signing DID, Sightsavers has effectively supported the consortium to navigate the NEC contracting model (this is the first time we have used this construct) and worked alongside other partnerships, including the PENDA disability consortium and Inclusion Works, to help ensure they are aligned and complementary.</p> <p>We continued to strengthen the teams that underpin our design and start-up processes, which are integral to effective implementation. We reviewed the structure of both our programme finance and programme monitoring teams, increasing the number of staff focused on direct project support.</p> <p>We also reviewed country offices, identifying those that needed additional support in certain areas, such as data management or donor financial requirements, and appointed specific staff to provide this support, resulting in increased project performance and improved programme management. In each country we assessed staffing and structure against project portfolio and identified gaps in expertise and capacity needed to implement the portfolio effectively. Where possible we filled these gaps. These shifts and improvements were funded largely through specific grant funding.</p> <p>From a systems perspective, we continued to design programmes in line with our project design process, involving key stakeholders from across the organisation and, where possible, beneficiary representatives. We also rolled out our start-up and inception checklist, designed to provide a clear pathway from design through to full-scale implementation. Our new budgeting templates and process have brought increasing clarity and enabled more scrutiny over project finances. For existing projects, our programme oversight reporting was strengthened with new, automated dashboards for each project, clearer structures for review meetings and a better, more concise quarterly report.</p>

Increasing our capacities: areas where we need to excel

What we planned to do	What we did
<p>Strengthen relationships with DFID disability and NTD teams</p>	<p>We were a strong civil society partner with DFID on the Global Disability Summit and have further strengthened our constructive working relationship with the DFID disability team during 2018. From our point of view, we aim to be a trusted and honest partner to DFID in its efforts to put disability “at the heart of everything we do”. The award of two large DFID-funded programmes to consortia led by Sightsavers during 2018 is a good indicator of the positive relationship between us.</p> <p>We have worked with the NTD team at DFID to ensure the programmes due to close in 2019 have clear exit plans. Towards the end of the year the Ascend procurement process meant that we were unable to engage with more senior DFID staff, something we hope to do now that the procurement period is complete.</p>
<p>Build understanding of evidence base and strengthen the use of data in programmatic decision-making and quality improvement</p>	<p>We continued to invest in research and other evidence-generating activities, but the focus this year has been on sharing new knowledge across the organisation and strengthening the use of evidence in programme-related decision-making. New evidence has been used to i) advance our understanding of local needs and identify priorities for our investments, ii) review and sometimes change our intervention approaches, and iii) evaluate the impact of our programmes on the communities we serve.</p> <p>Our eye health projects funded by the UK Aid Match and Seeing is Believing programmes in the East, Central and Southern Africa region generated a significant amount of evidence on eye health and NTDs. Evidence from Eye Health System Assessments, Rapid Assessments of Avoidable Blindness and studies of uptake of cataract surgeries have been used to influence our current programmatic approaches in six countries and to design new eye health projects in Tanzania, Malawi and Uganda.</p> <p>Our pioneering approach to disaggregating routine health service data by disability and wealth has been further developed and replicated in eye health programmes in Mozambique, Pakistan and Bangladesh, and in NTD programmes in Nigeria, Uganda, Guinea-Bissau and DRC. The data has been used to identify population sub-groups at higher risk of exclusion and to start developing approaches to tailor our programmatic activities to the needs of these hard-to-reach populations.</p> <p>Findings from the DFID-funded NTD research programme in Nigeria (Countdown) have provided critical insights into the implementation of NTD programmes. The information has been used to improve mass drug administration in the UNITED programme in Nigeria and in the design of the new integrated NTD programme (Accelerate). ▶</p>

What we planned to do	What we did
	<p>➤ Four inclusive education programmes supported by us in Senegal, Cameroon, Sierra Leone and Kenya used participatory research methods to explore beneficiaries' perspectives on our interventions and to ensure that the views of children with disabilities and their carers are adequately reflected in the programme design and implementation. The data has been used to shape the focus and content of our interventions in each country and to develop more generalised cross-country learning on inclusive education. Similarly, the findings of the population-based surveys of political participation in Cameroon and Senegal have influenced our approaches to make political systems in these two countries more disability-inclusive.</p> <p>This year we have placed a particular emphasis on meta-syntheses of evidence and cross-country and cross-programme learning. The end-of-programme learning workshop under the DFID-funded CATCH (Coordinated Approach to Community Health) programme brought together country directors and programme managers from five countries to share country-specific experiences and draw lessons common for all five countries. Four NTD programmes funded by DFID and The Queen Elizabeth Diamond Jubilee Trust commissioned a joint learning review, which synthesised the evidence and lessons learned from the implementation of NTD programmes across eight endemic countries. In collaboration with Humanity and Inclusion, we also commissioned a report on the evidence and lessons learned from implementing inclusive education programmes supported by our two organisations in Senegal.</p>

What we planned to do	What we did
<p>Strengthen our key strategic alliances to increase our influence. Notable milestones this year include developing WHO's World Report on Vision, and the Global Disability Summit, which involve a number of key allies</p>	<p>Throughout 2018, we worked to strengthen our engagement with strategic partners to deliver policy and programmatic change.</p> <p>Our relations with the World Health Organization remained a critical strategic priority. We began a new programme of work as part of our official partnership, including action on NTDs, technical assistance to WHO Africa region, and technical assistance to develop the World Report on Vision. This report will set a new strategic direction for eye health policy and provide new opportunities to work with national governments on this critical policy area. Unfortunately it has been delayed, likely until October 2019.</p> <p>We continued to work with the World Bank, delivering the School Health Integrated Programming (SHIP) project. SHIP screened school children in four countries for health problems such as poor vision or worm infections. From a policy perspective, we continued working with the World Bank to finalise its Disability Inclusion and Accountability Framework and the Environmental and Social Framework, Disability Guidance Note.</p> <p>Sightsavers has also focused on strengthening alliances across the United Nations to deliver policy change. The global #EqualUN campaign successfully contributed to six women being elected to the UN's disability committee, including Ghana's candidate (and Sightsavers employee) Gertrude Oforiwa Fefoame. We continue to work closely with UN agencies, and in 2018 contributed to a series of thematic consultations including the UN Women Disability Strategy and the UN Flagship Report on Disability and Development.</p> <p>We worked with Fred Hollows Foundation, The Queen Elizabeth Diamond Jubilee Trust, Peek Vision, Clearly and others to influence the outcome of the Commonwealth Heads of Government Meeting (CHOGM), held in April. The CHOGM communique committed heads of government to "take action towards achieving access to quality eye care for all, including eliminating blinding trachoma by 2020, which disproportionately affects women and children across the Commonwealth". The CHOGM commitments will enable people to hold their governments to account for eye health services.</p> <p>We continue to work very closely with Fred Hollows Foundation more broadly, discussing and implementing collaborative policy objectives, and providing financial support for each other's work where relevant.</p> <p>Alongside the Global Disability Summit (see page 26), we continued to work with DFID to implement its disability framework. In December we were delighted when DFID committed to a new disability strategy, one of the very first calls of our policy campaign, Put Us in the Picture.</p>



In Madhya Pradesh in India, 17-year-old Sudama, who has a visual impairment, visits the temple with her father.



Spotlight on...

Policy campaigning

Image: Sightsavers aims to empower people like 24-year-old Ngono, from Cameroon. She would like to vote, but doesn't have a birth certificate and doesn't know how to register.

In 2018, Sightsavers achieved significant milestones in the fight to influence global policy and ensure equality for people with disabilities around the world.

On 3 December 2017, the UK Secretary of State for International Development announced that DFID would host a global disability summit in July 2018. We worked closely with DFID to develop the summit, providing policy support and working at national level to ensure governments would make ambitious commitments to realise the rights of people with disabilities.

We met with more than 95 members of parliament across both Houses, and the frontbench teams of the political parties, to brief them on the summit and the focus that was needed on inclusive development. As a result of the summit, governments and global organisations made more than 170 commitments to disability inclusion. [▶](#)



Images: Our Cast Your Vote exhibition, at the Palace of Westminster in the UK, featured images of people with disabilities in Cameroon to promote political participation.

© Sightsavers/Graeme Robertson



► Put Us in the Picture

2018 was a big year for Sightsavers' disability campaign, Put Us in the Picture. Our two major areas of focus were the Global Disability Summit and the under-representation of women on the committee that monitors the UN Convention on the Rights of Persons with Disabilities (CRPD).

In the run-up to the Global Disability Summit, we encouraged campaign supporters to take action by calling on attendees of the summit to 'Make It Count' – this action prompted contributions from campaigners and disability activists in many countries. Sightsavers also hosted a stand at the summit, where we spoke to attendees about our campaigning work and the importance of disability-inclusive development in meeting the global Sustainable Development Goals, particularly those around education, health, work and inequality.

In March, Gertrude Oforiwa Fefoame, Sightsavers' Advocacy Adviser for Social Inclusion, based in Ghana, was chosen as the government of Ghana's nominee to the UN's disability committee. Out of 18 members, the committee at that time included only one woman, and we launched our #EqualUN campaign to address this imbalance and support Gertrude and the other female candidates. Through extensive lobbying and raising



awareness of the under-representation of women on the committee, we reached a wide audience and in July were delighted to see six women, including Gertrude, elected to the committee.

Following Put Us In the Picture's success in the UK, we carried this momentum to Ireland by launching the campaign with a photographic exhibition in Dublin. Sightsavers has a proud history in the country and we have worked in partnership with Irish Aid on a range of projects, from eye health to political participation, particularly in West Africa.

During the year we aimed to increase our engagement with Irish elected representatives and the public, to make sure Ireland's new international development policy can be as inclusive of disability as possible. And new Sightsavers Ireland CEO Charles Lamson was appointed to the board of Dóchas (the Irish Association of Non-Governmental Development Organisations).

The year ended with a flurry of activity. We held an exhibition in the Upper Waiting Hall at the Palace of Westminster in the UK, featuring members of our political participation project in Cameroon.

On 3 December, we engaged with supporters around the world to celebrate International Day of People with Disabilities, which in 2018 also marked the Put Us in the Picture campaign's five-year anniversary. We helped to secure a parliamentary debate in the House of Lords about putting disability-inclusive development into action. What's more, the UK Department for International Development published its disability strategy on the same day, fulfilling Put Us in the Picture's original campaign call from its launch in 2013.

After evaluating the past five years of Put Us in the Picture and planning its next five, we are taking ambitious and exciting steps to increase our engagement with supporters around the world.

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

What we planned to do	What we did
<p>Implement all elements of Sightsavers' child safeguarding policy approved by the board in 2017</p>	<p>During 2018, we were committed to ensuring that our safeguarding policy and associated procedures are robust and embedded across the organisation and our partners and suppliers. Our safeguarding policy document was reviewed and updated to include vulnerable adults. In the first quarter, all staff were trained and signed the code of conduct. In July our designated safeguarding leads (DSLs), who work in each country where we operate, attended the inaugural annual meeting of their group. The purpose of these meetings was to share experience and learning from across the organisation and the wider sector.</p> <p>We analysed the law in each individual territory, identifying relevant regulators and organisations with whom we can work to develop the most joined-up approach to safeguarding possible in each country.</p> <p>Safeguarding network Keeping Children Safe completed an independent appraisal of our policy, systems and materials in October. The outcome was very positive and provides assurance to stakeholders about the seriousness and effectiveness of our approach.</p> <p>We have refined our incident reporting process and safer recruitment strategy to further mitigate and respond to risk to Sightsavers' beneficiaries, staff or anyone affected by the work of our organisation.</p> <p>No incidents were reported during the year.</p>
<p>Undertake an employee survey and act on the findings</p>	<p>We were very pleased with a 95% response rate to the employee survey, with very strong results in terms of employee engagement and commitment to the organisation's mission. The survey was conducted by an independent consultant and was anonymous. It was clear from feedback that employees' continued association with and enthusiasm for the work that Sightsavers does has been mixed with increasing appreciation for the growing professionalism, quality and impact of the organisation.</p> <p>Positive results were shown for leadership and management generally, and the enhanced employee induction experience was recognised. Some areas of improvement are needed, particularly in the processes for employee performance management. Our team of HR specialists (embedded in the organisation) will continue to work with line managers on areas where we can improve.</p> <p>Generally we were particularly pleased at the positive scores around ethics and feeling respected, suggesting a positive culture at a time when a number of organisations are struggling with this.</p>

What we planned to do	What we did
<p>Build the teams and staffing structures needed to deliver on large new NTD grants, including strengthening technical capacity</p>	<p>We have established a project management office for the Accelerate programme, including additional deputy project managers. Further strengthening at the country level is under way and will improve as Ascend inception progresses. The technical support to programmes has been enhanced by recruiting staff to support technical design and innovation on programmes, surveillance, data management and technical reporting. These areas are critical to ensure NTD programmes deliver the full WHO disease elimination/control criteria. Reporting to our NTD technical director, these posts also link directly to the data collection systems posts.</p>
<p>Revise Sightsavers' Financial Framework, which details the financial procedures and policies that staff should adhere to</p>	<p>A comprehensive review and update of our financial management framework documentation was carried out during 2018, involving our global organisation and capturing all significant changes and developments in our financial management practices. The updated primary reference document, called the Financial Framework, was rolled out at the end of the first quarter of 2019 and is on our website.</p>
<p>Investigate resilience to a media crisis by undertaking a crisis rehearsal</p>	<p>We carried out a crisis simulation, organised by an external agency and involving the relevant staff, using the scenario in which a UK-based staff member had been abducted while visiting one of our programmes in Nigeria. It included a media crisis to stress-test how we would handle this. Generally this went well, although it identified some process issues.</p> <p>We also identified known risks we face and devised mitigation measures.</p>
<p>Enhance our media presence to support policy influencing, campaigning and coalition building. In particular, to strengthen our position as a key player in NTDs, disability and fundraising</p>	<p>In 2018 we secured media coverage of disability inclusive development at key moments during the year, including the Global Disability Summit in July and the International Day of People with Disabilities in December. Over the year, our coverage of these achieved a potential reach of more than 69 million people.</p> <p>We also raised the profile of trachoma elimination and the partnership working to achieve it, which has led to a very productive relationship with the new global health team at The Telegraph. This was planned around key events including the Commonwealth Heads of Government Meeting in April and the first ever mass drug administration carried out in Yemen. The Telegraph also gave prominent coverage to Sightsavers reaching the target for our Million Miracles cataract campaign.</p> <p>In April, Sightsavers CEO Caroline Harper's TED Talk, which pitched an ambitious plan to eliminate trachoma, was a focus of media and social media activity. The talk has now been viewed more than 1.3 million times. In December, Richard Branson announced the launch of the Accelerate programme at Global Citizen's Mandela 100 concert in Johannesburg, which achieved a potential reach of six million people.</p>

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

Sightsavers fundraises in the UK and India, and has fundraising subsidiaries in Ireland, Italy, Norway, Sweden, the UAE and USA. Information about their registration, relationship with the UK charity and financial performance is contained within the financial accounts. This section summarises the key fundraising activities undertaken in the year, including within the subsidiaries.

What we planned to do	What we did
<p>Continue to improve on financial performance, balancing income needs against the reasonable expectations of supporters. Focus on more sophisticated data-driven communications to minimise unnecessary mailings and increase net income. Maintain a dynamic approach to investment for recruitment across different markets and channels, utilising opportunities when they arise and pulling back where appropriate</p>	<p>There has been a continued focus on improving financial performance. Efficiencies have been made in expenditure by reducing the number of supplier relationships and working with global providers where possible. Data analysis has underpinned all our communications, and mailing numbers have been reduced by looking at who is most likely to respond and the best communication channel through which to reach them. We have seen a steady rise in response rates through a combination of better data targeting and by reviewing our creative approach to make sure our messages are as compelling as they can be. We have run return-on-investment calculations on a regular basis, along with monthly reviews of all activity. This financial review is performed across all of our markets, which has enabled investment to be moved away from poor-performing channels where appropriate, or used to bolster better-performing channels where available.</p>
<p>Ensure the organisation is GDPR compliant by May 2018 across all areas of the business. This should include roll-out of our approach to fundraising under the GDPR requirements</p>	<p>A great deal of work went into getting the organisation ready for GDPR for May 2018. This included a full review of all of our fundraising communications and data processing. We have adopted a 'legitimate interest' basis for all of our direct mail and are committed to an opt-in-only approach for all phone calls and email contact. We have reviewed all of our supplier contracts to ensure compliance. We had little disruption to business as usual, with only a handful of queries from supporters. Our staff were trained on the enhanced requirements for data protection to ensure not only the integrity and availability of our data, but also the security of the personal data with which we are entrusted.</p>

What we planned to do	What we did
<p>Launch a new online donations platform globally, enabling better testing and optimisation, moving the organisation to one global payment provider</p>	<p>In May 2018 we launched a new online donations platform across our European countries and the US. This has enabled us to be more efficient in our processing, both in time and cost, as we have a single global payment provider, Stripe, to process all online credit card donations. Consolidating our donations platforms into one single design has enabled us to test improvements on a wider scale, with the ability to roll out across a larger area more quickly, therefore maximising our returns. We are currently reviewing whether we can launch the platform on our India website, although we are largely reliant on Stripe becoming an accepted payment provider across India.</p>
<p>Increase income from trusts, major donors and corporate supporters, with a focus on key existing relationships and developing new high-level philanthropy in the UK, US and Middle East</p>	<p>In 2018, our income from trusts, major donors and corporate supporters increased by more than £2 million compared with 2017, thanks to us developing new partnerships, and larger commitments from existing donors. Income from individual major donors was slightly below our target, which may be partly due to Brexit uncertainty, and not having a UK Aid Match campaign in 2018 (which boosted major donor income in 2017). However, we outperformed in giving from trusts in the UK and Europe.</p> <p>Our corporate partnerships income was boosted by a new partnership with People's Postcode Lottery, which raised £1.07 million in December, and is expected to raise significantly more in 2019 and beyond.</p> <p>In the Middle East we signed a new three-year funding agreement with Dubai Cares worth \$2 million, to fund an integrated school health programme in Liberia. In the US, we maintained our status as a 'top charity' with charity evaluator GiveWell for our work in deworming, and received more than \$2.5 million of funding from Good Ventures and other donors who base their giving on GiveWell's recommendations. We worked closely with GiveWell during the year to better understand and contribute to its assessment process, resulting in GiveWell improving its rating of the cost-effectiveness of our programmes by 50%. In November GiveWell published its review of top charities, recommending to Good Ventures that it gives \$9.7 million to Sightsavers in 2019.</p>
<p>Continue to diversify our institutional income base, both in terms of sources and thematic areas covered</p>	<p>During the year we expanded the range of UK government funding streams that we are accessing to include funding for trachoma from the Foreign Commonwealth Office (FCO) and UK Aid Direct (as a sub to Fred Hollows Foundation). The Accelerate contracts extended our relationship with the Bill & Melinda Gates Foundation as well as bringing substantial new relationships with ELMA Foundation, Children's Investment Fund Foundation and Virgin Unite.</p>

What we planned to do	What we did
<p>Ensure a successful introduction for the new Irish leadership, both in terms of voluntary fundraising activity and relationship with the Irish government</p>	<p>A new Ireland CEO, Charles Lamson, was appointed last year, and demonstrated success by growing voluntary income in his first year.</p> <p>We continued to effectively manage the Irish Aid grant, including excellent contract reporting and relationship management, culminating in a successful launch of the Put Us in the Picture campaign in Ireland in February 2019 (see page 45). In an environment where Irish Aid is expecting to reduce the number of programme grant partners, we hope we are positioning ourselves well for the next programme grant funding round in 2022.</p> <p>In 2018, we participated in the Irish government’s consultation on its new international development policy, urging it to promote disability inclusive development.</p>
<p>Update reserves and investment policies to align with changes in organisational risk profile</p>	<p>Updated reserves and investment policies were approved by Council in October 2018. The core general reserve target was increased by £0.5 million to £7.5 +/- £1.5 million, taking into account a quantification of the potential risks facing the organisation. We introduced a liquidity reserve to ensure adequate operational cash availability to support day-to-day activity, and a liquidity reserve of £3 million is now designated in the balance sheet. Investment policy remains largely unchanged and we continue to adopt a moderate risk profile for our investment holdings. These investments are planned to be held over the long term as assets backing the core general reserves of the organisation.</p>

What we planned to do	What we did
<p>Redevelop our procurement framework with good distribution practices (GDP) at the core. Achieve GDP certification to acquire a Medical and Healthcare Products Regulatory Agency (MHRA) licence for the wholesale distribution of medical products to our programme partners (Wholesale Distribution Authorisation-Human or WDA-H licence)</p>	<p>Following the procurement review of late 2017 and an assessment of our procurement controls and transactional environment by AECOM, we have prioritised redeveloping our procurement framework (known as the quality management system, or QMS) to strengthen the controls over our supply chain and improve documentation of decision-making, with a view to achieving best practice and meeting our donor and regulatory obligations. This consisted of revising our procurement policy (the new policy was approved by Council in January 2019) and developing clear standard operating procedures and associated tools for all key components of our supply chain (demand planning, sourcing analysis, supplier due diligence, purchasing, logistics and goods receipting). Given the push by the Charity Commission for UK NGOs to comply with the requirements of the Medical & Healthcare Products Regulatory Agency (MHRA) for the procurement of pharmaceuticals, we developed this revised framework to be compliant with good distribution practices (GDP). This is the UK/EU standard that we needed to meet to be granted a licence to procure pharmaceutical products on behalf of our programme partners.</p> <p>Following an initial inspection by the MHRA in October 2018, and work to address recommendations made by inspectors, we were officially licensed on 4 March 2019 for wholesale distribution of pharmaceutical products to our programme partners. This is an important milestone for us: according to the official register, there are only a handful of INGOs that are officially licensed.</p>

What we planned to do	What we did
<p>Continue to focus on enhanced reporting through wider use of dashboards and bringing together data from multiple sources, including mHealth technologies</p>	<p>We are continuing to develop functional and intuitive data dashboards for enhanced management oversight. In 2018, the dashboard format that supports the programme oversight reporting (POR) process was redeveloped to add sex/age disaggregated and longitudinal data, all imported from Sightsavers' internal system through a simple quarterly refresh. Historical oversight of POR ratings was enhanced by developing an intuitive PowerBI dashboard. We have also used PowerBI for detailed oversight of results from the quality standards assessment tool (QSAT), both relating to programme cycle management and Sightsavers' thematic areas. These dashboards highlight specific organisational strengths and challenges as measured by the QSAT. We produced a first version of these dashboards to support the work of our global technical leads (GTLs) and will make a second version more broadly accessible in 2019.</p> <p>In the latter part of 2018, we embarked on a pilot with our India office to develop a new tool for setting targets. Linked to the management information system (MIS) in India, this tool was designed to enhance facility-level targeting processes by identifying and applying parameters that will affect footfall, such as holidays, seasons and elections. The tool is now being used to finalise the 2019 targets for the India Urban Eye Health programme, with a plan to adapt the model for other geographic locations in future.</p> <p>We have reconfigured our cross-organisational digital data working group so that discussion and progress is focused on four key work streams: systems integration, security and compliance, data visualisation, and mHealth. In mHealth we have developed use of the CommCare platform to collect data within research and NTD programmes, and to collect baseline data on disability using the Washington Group questions in Mozambique (Nampula eye health), Bangladesh and Pakistan (UK Aid Match).</p>

Fundraising

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

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

While most of our work is done in house, there are occasions where it is cheaper and more effective to work alongside professional fundraisers and commercial organisations. All contracts and partnerships that we enter into are subject to due diligence and close management. External partners are subject to regular visits and training from the fundraising team, and are expected to deliver against closely monitored service level agreements.

Sightsavers is a member of both the Fundraising Regulator and the Direct Marketing Association and abides by both the direct marketing code of practice and the fundraising code of practice. Internationally, Sightsavers is registered with the fundraising regulators in each country, where there is one.

In 2018, Sightsavers received 43 fundraising complaints from members of the public. These were all received and resolved by us. None were received from the regulator. We continue to put significant effort into supporter care and take all feedback seriously. We are pleased that the number of fundraising complaints was down year on year.

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



© Sightsavers/Taome Bamford-White

Optometrist Sarah Baldock ran the London Marathon in 2018 and raised £3,626 for Sightsavers.

Data protection

We have taken a holistic approach to data protection, improving both our organisational process and the technical controls that support them. We updated and strengthened a number of internal policies covering data protection, privacy and IT security. These policy changes were supported by the launch of an e-learning package for staff about data protection and a continued awareness campaign on cyber security and data protection, which includes regular internal newsletters and leaflets. Our adherence to our policies on data protection is overseen by our data protection officer, who was appointed in 2018.

The work to embed the principle of 'data protection by design' has continued throughout 2018. The new privacy impact assessment (PIA) process went through a period of being embedded in the organisation and plans were developed to incorporate it into the project design phase for all programmatic projects, rather than only higher-risk activities that require a PIA. This will allow us to risk-assess and evaluate the privacy risks associated with all new Sightsavers projects. This will be included in the 2019 updates to the Sightsavers Quality Standards Manual and Financial Framework.

We have continued to develop our mechanisms for supporting data subjects who exercise their rights under the new regulations, such as their right to access, move or delete the data we hold about them. We have received a number of right-to-erasure requests, which we have processed quickly and efficiently, thanks mainly to the adoption of a new information asset register. This register provides details of which systems hold and process personal data, offering a detailed map of where personal information is and how it is used. Not only does this allow us to respond quickly should a supporter request to have their personal data erased, it is also

a key component of our breach response procedure. Should we experience an outage or interruption to a system that processes personal data, we can quickly address all the linked systems, processes or data.

Our information asset register feeds into a risk assessment process, identifying systems based on the type of data and processing activities. We have updated our contracts with the suppliers of these systems, reinforcing the roles, responsibilities and expectations about the handling and security of personal data.

Cyber Security

In addition to the above, we made a significant commitment to developing our cyber security defences, gaining the HMG Cyber Essentials accreditation in October. This required us to upgrade our firewalls, computer and server configurations, the way our systems are updated, our malware and email protection, and the access control to our systems and data. Maintaining our accreditation requires constant adaptation to both the Cyber Essentials criteria and evolving cyber security threats. We have also developed a number of technical controls that directly address requirements under the GDPR and Data Protection Act 2018, including mandatory encryption of external storage devices, such as USB memory sticks. This certification was a requirement under the DFID Supplier Code.

We started our strategic review in October 2018 and expect this to be finalised during the trustee away day in January 2020.



Twins Tatenda and Tendai, from Zimbabwe, are showing early signs of trachoma, but can be treated with antibiotics to stop the infection spreading.



Spotlight on... Advocacy in eye health

Image: Losiana, from Samburu County in central Kenya, after sight-saving surgery to treat his cataracts.

In 2018, we made great strides in our work to promote universal eye health and ensure everyone has access to eye health care, particularly women and people with disabilities.

We now have gender-disaggregated data from all our projects, enabling us to track how many men and women are benefiting from our work so we can improve equitable access to eye health.

We are gradually scaling up our disability disaggregation, and are introducing strategies to remove the barriers that prevent people with disabilities getting help for eye conditions. These principles are included in our advocacy work towards global international and national policies affecting eye health and disability. ➤



► A landmark guide to human resources for eye health in Africa

Working with the World Health Organization (WHO) and the International Agency for the Prevention of Blindness (IAPB), Sightsavers provided financial and technical support to develop a policy document entitled 'Core Competencies for the Eye Health Workforce in the WHO African Region'. It provides the first regionally agreed guidance about the human resources needed to deliver eye health services in the region, describing the tasks, responsibilities and treatments appropriate for each staffing level, and the skills needed for staff to be able to deliver them safely.

The document is a result of extensive consultation over more than three years, with a validation process that included national policymakers, training institutions and professional organisations. Countries will be able to refer to the document when drawing up human resource plans, and can use it to resolve questions about staffing in a way that is regionally recognisable and aligned, even though there may be nuances, such as differences in terminology.



Download the document: <http://tiny.cc/iapb-report>

Reviewing and integrating eye care into national healthcare plans

Integrating eye care into the mainstream health system is vital to ensure efficient planning, and to make sure resources are allocated effectively. We have successfully advocated for this in Zambia, Uganda and Malawi. In Sierra Leone, we have helped the country to develop and adopt the first national eye health policy. In Nigeria, we have made sure eye health is part of the national strategic health development plan for the first time, and are helping to create the first national eye health policy document.

A national analysis of the costs of human resource for eye health

Our work has been key to achieving this national analysis in Mozambique, in partnership with the national consortium of eye care partners, leading to increased investment in eye health staff.

Eye health indicators included in national health management information systems

As a result of our advocacy, key eye health indicators have been developed and adopted in health management information systems in Uganda and Senegal, and rolled out into the districts. We are also working on these in Nigeria. This will address the data gap that has remained a challenge in eye health: providing planners with data about the actual burden of eye health needs. It is key to decision-making in healthcare and helps to ensure that eye health is prioritised to the level it deserves.

Making sure all patients get the treatment they need

Sightsavers' Coordinated Approach to Community Health (CATCH) project ensures that patients who visit trachoma screening camps with another eye condition, such as cataracts, are given the treatment they need.

Sightsavers' advocacy under the CATCH project has focused on improving eye health systems and supporting a holistic approach to eye health within the broader national healthcare system, in line with WHO's Global Action Plan on Preventable Blindness. Working in Kenya, Uganda, Zambia, Malawi and Mozambique, our advocacy has also helped to improve Sightsavers' partnerships with ministries of health.



Image: Lomoria (left), who is irreversibly blind from trachoma, with her daughter Nalita at an eye screening camp in Moroto, Uganda.

60/

Risks and key challenges

Risks

Risk identification and management is a key process within the organisation at all levels. All major programmes have their own risk mitigation logs, and the larger ones have their own governance processes.

At the organisational level we have a log of the top 13 risks. This has increased from 12 last year because we have split safeguarding into two risks – one for employees; the other for supporters and beneficiaries.

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

“

I couldn't afford to go to a clinic, so I'm so grateful that Sightsavers came to help us.

Fatuma and her granddaughter Filly, from Ruangwa in southern Tanzania.



© Sightsavers/Jason J Mulikita

The risks (and commentaries around mitigating strategies) are laid out below.

Risk	Risk management comments
Recruitment and retention of key employees and contractors	<p>Sightsavers relies on specialist staff, both in terms of technical/specialist knowledge and in managing complex projects. Attrition among this group has been low. We believe that the rapid growth (which continues) in many parts of our work is a motivational factor. However, this growth brings other risks as we need to recruit more specialists, and in some areas the markets for such skills are thin.</p> <p>We make sure our salaries are competitive in the UK market, but we recognise that many of our staff are internationally mobile, and we have a significant risk that salaries in the US are far higher than in the UK.</p> <p>The embedded HR arrangement continues to meet business requirements, and our HR business partners are very useful in terms of discussions around individuals.</p> <p>We are acutely aware of the stress levels in the organisation generated in part by our growth and activity levels – the downside of the excitement of success. We have introduced a mental health first aider within the UK and are looking at what other wellbeing initiatives could be helpful. Our staff survey undertaken this year was positive, but we undoubtedly need to be mindful of over-stretching the organisation in our drive for ever-more impact and value for money.</p>
Safeguarding of beneficiaries, supporters and external contacts	<p>We updated our safeguarding policy and our modern slavery statement in 2018 and have focused on training designated safeguarding leads (DSLs). We have also put considerable time into briefing and training for partners, tailored to their level of expertise. The section below covers this risk in more detail.</p>
Health, safety and security events and other safeguarding issues concerning employees	<p>Assessments and updates to the management team, and a quarterly business security risk assessment to the wider organisation, provide a strong level of support, along with immediate advice in the event of short-term issues. The CEO report to the board covers all security and safeguarding incidents affecting our programmes and staff as the first item on the agenda.</p> <p>There is a particular focus on Nigeria at the moment, as the programmes there are expanding rapidly.</p> <p>We have updated our induction training package to include mandatory training on safeguarding, which all staff and trustees must complete.</p> <p>One of our trustees, Barry Hoffman, has been identified as our safeguarding trustee, and we are undertaking an independent review of our whistleblowing processes.</p>

Risk	Risk management comments
<p>Poor quality or strategic alignment of programmes</p>	<p>We have completed all our sector strategies and have thoroughly assessed all programmes against them to ensure strategic alignment. Our quality standards assessment tool (QSAT) has been upgraded and is now fully rolled out and on the live system. The ROAR group (Reflect, Oversight, Appraisal and Review) has been instrumental in supporting a coherent approach to developing programmes as part of a global portfolio. There is also a programme expert group that includes a number of trustees, which reviews specific programme issues and looks at all strategic evaluations.</p> <p>There is a risk that our portfolio is becoming more imbalanced and donor driven as we take on more, larger restricted grants and contracts.</p>
<p>Inability to manage consortia so as to deliver on contracts and secure new opportunities</p>	<p>Our larger grants are substantial (the largest single contract has a value of between £92 million and £150 million, depending on donor options) and involve many organisations (there can be more than 20, including academia and NGOs). All require the ability to liaise with ministries of health and education, as well as partners. The central team that manages these grants has been further strengthened, with each grant having its own project manager; the largest grants have their own project management office.</p> <p>We have dedicated technical experts to support the programmes, including those who understand factors such as behavioural change and water/sanitation. Each programme has its own governance arrangements to ensure oversight.</p> <p>Our model of consortium management, including systems and processes, is robust and should be scalable as we take on new large contracts, but we will need to ensure that we strengthen capability at the country level as well as centrally. We recognise that the sheer volume of transactions will increase significantly, so we will need to ensure our central staffing levels are adequate to manage this.</p> <p>There are concerns from some of our smaller partners about the increasing compliance requirements, particularly from DFID, and there is concern that some may end up withdrawing, despite the capacity building and support we provide.</p>

Risk	Risk management comments
<p>Inability to raise adequate voluntary income in mature and new markets</p>	<p>We are pleased to see that individual giving has held up well, despite negative media around the sector, although the Brexit uncertainty has had an impact on some of our major donors. At the time of writing this uncertainty continues to build, and may have deeper impact over time.</p> <p>We have struggled to build our digital team, both in terms of recruitment and retention. We are using funding from People's Postcode Lottery to help with this.</p> <p>We have appointed a new head of fundraising and marketing for Norway, based in Oslo, so we have separate leadership in Sweden and Norway rather than a single 'Nordics' leader.</p> <p>We have rolled out our global approach to fundraising, based on returns on investment by channel and market, and have already seen this improve overall ROI.</p>
<p>Poor quality of programme implementation, leading to failures in services to beneficiaries or to deliver expected programme outputs and outcomes</p>	<p>The large new contracts in both disability and NTDs will require us to strengthen a number of the country offices, particularly in West Africa. Last year we appointed a new regional director, Fatoumata Diouf, based in Senegal, which will help us achieve this.</p> <p>We will need to increase our technical capacity on disability.</p> <p>Our work on our internal Programme Portal database has improved our ability to collect and report data. The next phase is to use this to improve analysis to support the value-for-money agenda. We have also transformed our procurement capability (see page 70).</p> <p>The contract management of the Disability Inclusive Development programme is a challenge, as it involves a complex structure around task orders. This is the first time we have managed this form of contract and it requires a lot more time and effort, from both us and our partners, than the usual form of contract.</p>
<p>Media crisis in core markets</p>	<p>The media environment remains negative, both in the UK and in Ireland. We expect a spike in hostility now the Charity Commission's reports on Oxfam and Save the Children have emerged. We undertook a crisis rehearsal to test our processes, based on an abduction scenario in Nigeria. Generally our processes held up well, although we identified some gaps in governance arrangements. Several senior staff underwent media training to handle potential challenging interviews on the kinds of topics we have seen others struggle with.</p> <p>Our new Chair (see page 65) has extensive top-level media experience, something we have not previously had at board level, which should be helpful to us if we have a crisis in future.</p>

Risk	Risk management comments
<p>Inability to replace or grow institutional income</p>	<p>Our relationship with DFID on disability has grown extremely strong, helped by our partnership with the International Development Association and our emphasis on policy work.</p> <p>It has been more difficult to build a relationship with the NTD group: the team was effectively in purdah for a significant part of the year because of the procurement process for the Ascend contract. Now this has been awarded, it will be a priority to build this relationship at all levels.</p> <p>These relationships are critical to protecting our funding streams with DFID, as is our performance both in implementation and in satisfying its requirements around due diligence and the supplier code, both of which we have prioritised. There is obviously a risk that DFID may be affected by political forces. There has been speculation that some potential new government leaders would favour cuts to or diversions of its budget, or a subsumption of the whole department. It is unclear what impact that would have on our ability to raise funds or influence policy.</p> <p>Our relationship with other institutional funders has generally been good: we have built confidence within the Bill & Melinda Gates Foundation, both via Accelerate and the Uniting support centre. The Irish Aid programme is going well, and the recent launch of our Put Us in the Picture disability campaign in Ireland has helped to cement relationships.</p> <p>We continue to foster relationships with other institutional donors such as the Big Lottery Fund. Our concern at the moment is how to interest them in our eye health work: a couple of donors (Conrad N. Hilton Foundation and Standard Chartered) announced in 2018 they will end their funding of avoidable blindness programmes. We have stopped applying to the EC from the UK because of Brexit, but are likely to continue to make applications, probably from Ireland.</p>
<p>Inappropriate controls</p>	<p>We have had positive reports from the various audits undertaken and the independent review panel of Accountable Now. In 2019, DFID has indicated it wants to do a deep audit, which we will obviously prepare for thoroughly.</p>

Risk	Risk management comments
<p>Governance and organisational-level regulatory challenges, such as forced federation, new regulatory hurdles and strategic misalignment of boards</p>	<p>There were a number of changes at board level, most importantly the appointment of the new Chair, Sir Clive Jones, who has become a trustee and takes over as Chair in July when Martin Dinham steps down. We brought in new trustees with expertise in business, finance and optometry, and the gender balance on the international board is now almost equal. All Chairs, plus the international board, attended a meeting in January at which the concept of 'one Sightsavers family' was endorsed again.</p> <p>A number of serious incidents (mainly involving thefts of drugs) were reported to the Charity Commission, which was satisfied with our handling of them.</p>
<p>Financial loss, disruption or damage to our reputation as a result of data loss, a failure of ICT, or in information security process controls</p>	<p>Our Cyber Essentials accreditation was confirmed in October 2018. In line with this, staff training on cyber security has been stepped up and we now have an information security team that proactively assesses risks and vulnerabilities of our systems across the world. The introduction process for new suppliers and partners now includes more intensive reviews of system capabilities, including data protection processes.</p>
<p>Financial loss or operational constraints as a result of treasury activities, including credit loss, foreign exchange movement, liquidity or inability to transfer funds internationally</p>	<p>We need to further increase our capacity in our treasury function, partly because of long-term staff sickness, but also because the number and complexity of transactions associated with the big new contracts will increase significantly.</p> <p>We are mindful of the increased importance of liquidity. While the big Accelerate contracts provide upfront funding, the DFID contracts are in arrears, meaning managing cash flow is paramount. We are likely to increase borrowing capability in 2019 to fund working capital and minimise the need to use unrestricted funding to subsidise government contracts. We have also ringfenced part of our reserves to create a new liquidity reserve to support this. A new liquidity management group has been created, and detailed cash flow forecasts are produced weekly.</p> <p>We expect exchange rates to be very volatile in 2019 because of the Brexit negotiations, and will continue our hedging activities to mitigate this and help us with planning.</p>

66/

Our challenges in 2018

The external environment in 2018 was very challenging, and it looks as if 2019 may be more so. Several issues caused particular problems, as detailed here.



Safeguarding has become a sector-wide challenge, both in terms of protecting beneficiaries (and external stakeholders) and staff. The focus for the media and regulators has been sexual exploitation and abuse, and several initiatives are under way in the sector to tackle this. We have concerns about whether proposals being discussed will be feasible (or even legal) to implement, and it is unclear what impact this will have on Sightsavers and partners. Our response to measures introduced to date is elsewhere in this report, but we do not know what additional requirements will be placed upon us and what the cost might be.



This year there have been no incidents relating to safeguarding of beneficiaries, and no internal staff grievances upheld.



Negative stories about 'foreign aid' have continued, sometimes linked to NGOs, sometimes not. With the political uncertainty in the UK, and changes in 2019, the future of official development assistance is uncertain.



At the time of writing, Brexit discussions are ongoing and political uncertainty has never been higher. If the UK leaves the EU without a deal, it seems inevitable that there will be a negative impact on the value of sterling. If uncertainty continues throughout 2019, it is likely to affect individual giving, particularly major donors. We have done all we can to prepare for any eventuality, but nobody knows what will happen.



A Sightsavers truck crosses a bridge in southern Liberia after carrying out screenings for river blindness.



A significant amount of effort has been put into managing regulatory challenges such as GDPR, securing our MHRA licence and our Cyber Essentials certification.



Having won a number of DFID contracts, we have undergone due diligence several times (each contract requires a new and separate due diligence). We have fed back to DFID that it does not seem like a good use of resources to do repeated exercises every time we win a contract or grant. In response, we are creating a 'virtual data room' to make it easier for us to respond to any donor wanting to undertake due diligence.



Security and conflict affected our ability to work in several countries, and the threat level in some has increased (such as in Cameroon and Mozambique). Natural disasters such as the cyclone in southern Africa at the beginning of 2019 also had an impact.



The tremendous amount of activity and achievement meant that there was a huge amount of work within the organisation, and a few major milestones unexpectedly came at the same time. This introduced considerable stress into the organisation and led to several departments being overstretched. We are very mindful of the potential impact of this on the mental health and wellbeing of staff. We will be reviewing our approach to wellbeing in 2019, as well as endeavouring to recognise the need to consolidate the gains made and avoid being over-ambitious in striving for new targets.

68/

Our plans for 2019



Delivering for our beneficiaries

- Ensure the major contracts (Accelerate, Ascend, DID and Inclusion Works) all pass smoothly through the inception phase to start-up, meeting their agreed milestones. This will need to include expanded capacity within the various teams and countries.
- Ensure the contracts coming to an end (UNITED, DFID SAFE, The Queen Elizabeth Diamond Jubilee Trust) all end well, with satisfied donors and programme targets met.
- Develop and strengthen our eye health programmes, using the various new funds that have become available.



Increasing our capacities (areas where we need to excel)

- Work with the Bill & Melinda Gates Foundation and its consultants to relaunch the Uniting to Combat NTDs partnership and associated secretariat (formerly Support Centre).
- Develop our evidence base and put evidence into practice in programmatic decision-making and quality improvement.
- Support the new leadership at the International Agency for the Prevention of Blindness (IAPB), working with WHO to deliver the World Report on Vision.
- Work closely with the UN to support the development and launch of a system-wide Action Plan on Disability.
- Ensure large contracts we manage are optimised programmatically and financially to maximise cross-learning. We will involve other organisations leading similar consortia to ensure coherence across the NTD sector.
- Tap into expertise and media contacts brought by new Chair Sir Clive Jones.



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

- Provide further professional development for staff taking on the role of designated safeguarding lead (DSL) across the organisation.
- Achieve Disability Confident Certification level 3 in the UK.
- Introduce a wellbeing package for staff to help alleviate stress and promote mental health.
- Review the current strategy, looking back on lessons from the past 10 years, the current situation and trends affecting our sector, and developing answers to key questions. We will produce an updated SIM card, programme strategy and a number of revamped processes.
- Develop the next-level treasury management system to support the liquidity and financing of the organisation through the new contracts. Update the treasury and reserves policies.



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

- Continue to improve our fundraising performance, monitoring returns across all markets and fundraising channels.
- Implement a category management approach to purchasing and supplier management.
- Develop our digital fundraising skills and resources to enable us to optimise our growing digital activity across all fundraising markets.
- Continue to establish our presence in Nordic countries while ensuring we manage our relationships with regulators.
- Increase philanthropic income for our eye health programmes from trusts, major donors and corporate partners, and deliver best-in-class stewardship of our existing major donors and account management of our corporate partners in the UK, US and Middle East.
- Diversify our institutional income base, focusing on building relationships outside DFID, as well as within it.
- Ensure a smooth handover of the Chair's role between Martin Dinham and Clive Jones, including finding a replacement for the development knowledge lost with Martin's departure.
- Continue to ensure our value-for-money approach feeds into our programme design, and further strengthen our programme financial oversight processes in the countries where we work.



Spotlight on...

Our supply chain

In 2018 Sightsavers achieved good distribution practices (GDP) certification, showing that our supply chain meets the highest standards, and we are now licensed to distribute pharmaceutical products.

A vital part of Sightsavers' work is ensuring our programme partners have the right supplies to treat beneficiaries safely and effectively. In some countries these supplies are not always available locally at the right quality or price, so we often purchase them on behalf of partners from global reputable suppliers.

In 2018, we redeveloped our supply chain quality management system and achieved good distribution practices (GDP) certification, a recognised international supply chain standard for pharmaceuticals. As a result, the UK regulator granted us a wholesale distribution licence for pharmaceutical products.

During the year we spent £1.8 million on procuring goods for our programmes, including surgical equipment, spectacles, medical consumables, pharmaceutical products, vehicles and assistive technology. Medical and pharmaceutical products made up almost £1.1 million of this, excluding gifts in kind of Mectizan® and Zithromax® from Merck & Co Inc and the International Trachoma Initiative/Pfizer.

Procuring goods and services is a major part of Sightsavers' work, yet can be complex because of the regulatory environment and increased scrutiny on our sector. We have always taken extreme care to ensure the goods we purchase are of the highest quality, in line with recognised



Image: An eye health worker in Zimbabwe prepares antibiotics to protect patients against trachoma.

standards: the safety of our beneficiaries is paramount. We strive to ensure we act ethically and that we procure goods that offer the best value for money.

We reviewed our supply chain in late 2017 and have since prioritised redeveloping our quality management system. The aim is to strengthen our supply chain controls and improve the way we document our decision-making, so we can follow best practice and meet our donor and regulatory obligations.

To achieve these aims, we have overhauled our quality management system to comply with good distribution practices. We worked with specialists to revise our procurement policy and develop clear procedures and tools for all parts of our supply chain, including demand planning, sourcing analysis, supplier due diligence, purchasing, logistics and goods receipting.

This has enabled us to develop a robust framework that ensures we only buy high-quality goods from suppliers who are legally licensed to sell them, and who abide by the principles in our supplier code. The framework ensures all goods have adequate quality certificates, that we are able to trace them through the supply chain and that they are not altered or damaged. This ensures our beneficiaries are not put at risk.

Our first GDP certification inspection was carried out in October 2018 by the Medical and Healthcare Products Regulatory Agency (MHRA), and we were licensed on 4 March 2019 to distribute pharmaceutical products to our partners. This significant milestone gives Sightsavers staff a clear path for purchasing goods that are essential for our programmes, and will provide a strong foundation for us to redevelop our supply chain systems in 2019.

72 /

Structure, governance and accountability

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

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

Recruitment of new trustees is based on consideration of skills, mindful always of the need to reflect diversity (in terms of gender and disability in particular) and maintain a balance of individuals from different countries. Depending on the gap to be filled, this may be achieved via existing networks or by advertisement.

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

There are four committees of the Council:

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



“

My work is so motivating. When a cataract patient is treated and can see again, they are reborn.

Eye surgeon Dr Mwita is based at Lindi Hospital in southern Tanzania, where he carries out sight-saving cataract and trachoma surgery.

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

There are clear distinctions between the roles of the Council and of senior management, to whom day-to-day management is delegated. Matters such as policy and strategic plans are prepared by senior management for consideration and approval by the Council. The key leadership team, set up to facilitate decision-making at management level, is the management team, consisting of 15 people drawn from across the organisation. This includes the regional directors, the CEOs of India and Ireland, and senior staff across the directorates.

There is also a people team, which meets when required to discuss strategic HR matters. We have now set up a new strategy refresh steering group and a series of working groups to tackle the strategy review process.

The organisation is structured with five main directorates, whose leaders report to Sightsavers' CEO. These are:

- **Policy and Programme Strategy**, which includes research, evidence, technical leadership, institutional relations, policy and advocacy, and media.
- **Finance and Performance**, which includes all programme implementation, operations, finance, assurance and reporting. All country offices report to this directorate via regional offices.
- **NTDs**, which includes all the management of large consortia grants and contracts, and technical support to NTD programmes.
- **Individual Giving and Marketing**, responsible for supporters across all our markets (although in the case of India and Ireland this is an advisory role), and our website and design team.
- **Major Giving**, which includes corporates, trusts and major donors across all markets, with the same caveat as for Individual Giving.

The CEO of India reports day-to-day to the CEO of the international organisation, although he is ultimately responsible to the Sightsavers India board. The CEO of Ireland reports to the Chair of Ireland and the Irish board, with a link to the international CEO.

This structure has been essentially stable throughout 2017 and 2018, with only minor adjustments at mid levels.

As at 31 December 2018 there were seven subsidiary undertakings consolidated within the group: Sightsavers (Trading) Limited; Sightsavers Ireland; Sightsavers International (Italia); Sightsavers International Inc (USA);

© Sightsavers/Jason J Mulikita



Mayasa and her husband Issa are from southern Tanzania. Their baby daughter was treated to protect her from trachoma.

Sightsavers Inc (USA); Insamlingsstiftelsen Sightsavers International Sverige (based in Sweden); and Stiftelsen Sightsavers International Norge (based in Norway). Our subsidiary Sightsavers Middle East Consultancy FZE, based in the UAE, was voluntarily liquidated in 2017, with our presence in the UAE consolidated under our licensed branch located in Dubai.

Sightsavers is a charity registered in Scotland with the Office of the Scottish Charity Regulator, registration number SC038110. In 2018 Sightsavers raised £4.4 million (2017: £2.9 million) from donors based in Scotland.



© Sightsavers/Dominique Catton

Sightsavers Cameroon country director Dr Joseph Oye with research coordinator Karen Atekem during the launch of a river blindness campaign in the Massangam region.



Remuneration

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

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

As at December 2018 the salary of the CEO remained unchanged from 2017 at £129,500. This was the highest salary in the organisation, although one other individual had higher remuneration because of international allowances. There is no bonus scheme or car allowance for any members

of staff and the CEO has the same pension rights as other UK staff.

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

As at the end of December 2018, Sightsavers' mean and median gender pay gaps in the UK were calculated to be 4.93% and 9.91% respectively in favour of men. This compares well with other organisations, both within and outside the sector, although it has increased since last year. The reason for this is that we have increased the number of staff at junior levels this year and most of the recruits have been women. It does not reflect a reduction in the number of women in leadership positions.

We are not obliged to publish our gender pay gap on the government website as we have fewer than 250 UK-based employees, but we voluntarily publish for the sake of transparency.

“

After four years, seeing my children again was a real happiness for me. I'm so happy!

Naheed, from Pakistan, had cataract surgery on both eyes to restore her sight.

Accountability

Sightsavers is a member of Accountable Now, an international organisation dedicated to helping international NGOs demonstrate and improve their accountability. We submitted the seventh formal report to the Charter Company Independent Review Panel (IRP) last year on the basis of performance in 2017. This was well received.

Areas highlighted as particularly good practice included our “approach to learning, sustainability and capacity building, policy regarding complaints and grievances, transparency, fair staff recruitment, development, and working environment”.

Areas for improvement included “information on key likes/dislikes from beneficiaries, how stakeholders are involved in the advocacy process, and feedback from country offices regarding complaints at the programme level”.

Sightsavers' chief executive is the Vice Chair of Accountable Now.

The full report can be found online at <http://tiny.cc/accountablenow>.

Governance code

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

An assessment exercise was completed in 2017 to see how well we complied with the outcome and recommended practice components of the principles, and in our view we were compliant in all material respects with the code. We updated this assessment in 2018 and verified that we remain compliant.

Modern slavery

At the request of DFID, the modern slavery questionnaire was successfully completed in 2017, and its recommendations continued to be implemented in 2018. This included reviewing the Global Anti-Slavery Policy and planning to strengthen our oversight by developing KPIs against the policy, such as the number of staff who have completed training.

We made significant updates to our Supplier Code of Conduct, which sets out Sightsavers' expectations with regard to anti-slavery, human trafficking and the respect and support of internationally proclaimed human rights. This code of conduct is mandatory for all programme suppliers and the updated version was signed by everyone operating under the older code.

The board published its second modern slavery statement in 2018 on our website. We had no reported incidents of modern slavery or human trafficking in 2018.

Safeguarding

Safeguarding has continued to be a priority and a key focus for the development sector over the past year. Sightsavers is committed to promoting a positive culture around safeguarding through effective procedures, risk mitigation and strong leadership. We believe safeguarding is everyone's responsibility and have continued to strengthen our approach by implementing our policy.

Our safeguarding manager and country designated safeguarding leads (DSLs) provide national and local expertise and act as safeguarding champions in each of the countries where we work. Together they have created country-specific safeguarding plans for each country, working with our partners to identify areas of risk, and creating opportunities to learn from our experiences and develop our safeguarding approach. DSLs will continue to play a





Eight-year-old Mwiza (right) from Zambia plays with his friend, a year after receiving sight-saving treatment for trachoma.

central role in raising awareness through training and partnership work, and reviewing our safeguarding approach at our annual DSL training and development days.

Embedding safeguarding has been achieved by working with teams across Sightsavers to identify and respond to risks as part of our processes and infrastructure. Safeguarding assessments have been integrated into our programme design, and due diligence processes and safer recruitment training and guidance has been developed with our human resources teams for implementation in 2019.

In October 2018 the safeguarding body Keeping Children Safe (KCS), at the request of DFID, reviewed all of Sightsavers' policies and procedures related to safeguarding as part of a routine process. We were very pleased with the feedback given. "At the time of this assessment, Sightsavers was rated satisfactory across all the standards, with some excellent examples of good practice across all of the six standards, most notably within its approach to safeguarding, whistleblowing, and creating an organisational culture with safeguarding at its centre." (KCS central assurance assessment report, 10 December 2018.)

We ask our staff to report incidents of harm, exploitation and abuse as well as concerns about practices or infrastructures that may pose a risk to the safety and welfare of others. These concerns are logged centrally and help us to identify any trends and issues and learn lessons, which, in turn, help us to strengthen our practice.

Concerns have been identified in the due diligence processes as well as being reported to us by staff members, by our partners directly (who seek our help and advice to deal with their own concerns), and through third parties.

No serious incidents, as defined by the Charity Commission, were reported to Sightsavers in 2018.



Spotlight on...

Fundraising

Image: Rob Hawkins ran the Marathon Des Sables (six marathons in seven days across the Sahara) in aid of Sightsavers, and raised £2,230.

In a year when many NGOs were struggling, Sightsavers achieved a record year for voluntary income. This was thanks to the amazing support of individuals and private donors, to whom we are hugely grateful.

Our Christmas mailing, which focused on two-year-old Nalukena, a little girl with trachoma living in Zambia, raised just over £1 million. This success was thanks to our existing supporters, who continue to donate to our work.

We have continued to focus on efficiency across our fundraising programmes, aiming to reduce the amount of mailings we send to our supporters, and paying close attention to the success of our advertising. As a result, we have reallocated our marketing budget, moving away from channels that are producing a lower return and instead concentrating on more profitable areas. ▶



► People's Postcode Lottery

In 2018, Sightsavers was selected to become a promoting society for People's Postcode Lottery, a subscription lottery that raises money for good causes in Great Britain and around the world. At least 32 per cent of the ticket price goes to charity, and players have raised more than £361 million since 2005.

Sightsavers' first dedicated lottery draw, in December, raised more than £1.07 million, with more draws to come in 2019 and beyond. The proceeds of this new long-term partnership will support our eye health and education programmes in Africa, and help us to increase our resources so we can work on a larger scale and reach more people.

Image: Eye health worker Mai Mai, from Nampula in Mozambique, helps to identify people with eye problems and refer them for treatment.



© Sightsavers

The End is in Sight campaign

In 2018 we also launched our new public fundraising campaign. Entitled The End is in Sight, it will raise money to help Sightsavers and partners eliminate blinding trachoma as a public health problem by 2025 in the countries where we work.

The infectious eye disease, which has been around since the time of the pharaohs, has devastated some of the world's poorest communities. Trachoma has already been eliminated in several countries, but 157 million people are still at risk. We want to raise awareness of this threat and encourage global communities to come together to end trachoma for good. This is a rare opportunity to eliminate a disease, and we hope The End is in Sight campaign will help us make 2019 another record-breaking year.

© Sightsavers/Taome Bamford-White



Image: As part of the End is in Sight campaign, Sightsavers hosted a stand at the Science Museum's 'Lates' event in May 2019 to raise awareness of our work to fight trachoma.



84/

Review of financial outcome 2018

Detailed financial information is reviewed by the Council in each of their meetings during the year. The financial outcome for 2018 is set out in the consolidated statement of financial activities.

Income

Total income was £312.8 million in 2018, a decrease of £8.9 million compared with 2017, reflecting a reduced value of gift-in-kind income, which more than offset an overall increase in other sources of income.

2018 income excluding gift-in-kind donations was £80.3 million, an increase of £7.1 million (10%) from 2017. Overall income in 2018 again exceeded our original financial plan for the year.

Total income from donations and legacies was £52.2 million, an increase of 9% from 2017.

Overall income from individual donations increased by £1.4 million to £26 million, which, in aggregate across the group, was again above plan for the year. We maintained overall investment across all our international markets, while further optimising the investment mix.

All well-established markets achieved increased individual income over 2017.

The UK, our most significant market historically, achieved a 4% increase. The biggest increase in income was in India, up to £1.9 million of individual income, reflecting ongoing investment, while Italy achieved a 10% increase to £2.6 million.

Our longer-term expectations remain positive for all our international territories, including our presence in the Middle East.

Legacy income again performed very strongly in 2018 at £11.3 million, an increase of 21%. The future legacy pipeline also appears strong.

We were delighted to receive further significant donation funding in the US from Good Ventures Foundation (GiveWell) of £1.9 million, which pushed donations from trusts to £5.4 million. Corporate donations significantly increased to £3.8 million, although donations from community service and other organisations were relatively low.

Donation income from institutional donors increased to £5.3 million in 2018, including a stable level of Irish Aid income (£1.5 million) and continuing support from a number of long-standing existing donors. In 2018 we received donation income from DFID of £0.5 million under the Aid Match scheme, and £0.9 million for the first year of a social inclusion programme, Inclusion Works. (None of our income received from DFID in 2017 was classified as donations because of the transition effect of the UK government implementing changes to DFID's funding structures.)

Total donation and legacy income rose by £4.4 million to £52.2 million in 2018, comprising unrestricted income of £31.6 million and restricted income of £20.6 million (increases of 4% and 19% respectively).

Gifts-in-kind income was £232.5 million, compared with £248.5 million in 2017. Income from gifts of Mectizan® tablets from Merck & Co Inc to treat river blindness were consistent at £222 million. In 2018 we also continued to receive donated Zithromax® treatments in Sudan from the International Trachoma Initiative, for which we recognised £10 million of gifts-in-kind income, a reduction from £26 million in 2017, due to a reduced volume of treatments and a lower fair value unit valuation.

Our income from charitable activities increased by 10% to £27.7 million. The portfolio of grants and contracts under which this income was earned saw some rebalancing during 2018, with some longstanding contracts either passing peak activity or entering concluding phases alongside the start of certain new programme funding arrangements.

Income from our large NTD grants remained significant in 2018, including £9.4 million from The Queen Elizabeth Diamond Jubilee Trust for the Trust Trachoma initiative and £8.1 million of income under the DFID SAFE programme. Our aggregate funding in this category from the UK government (DFID),

which covers a variety of programmes including the large neglected tropical disease projects, was £12.4 million, compared with £14.4 million in 2017.

The most significant new funding in 2018 was for a large new integrated NTD programme, Accelerate, for which we received income of £2.3 million in aggregate from the consortium of funders. We also earned income of £0.4 million in 2018 from a new large multi-year contract with DFID to deliver the Disability Inclusive Development (DID) programme.

Significant incoming resources were received again in 2018 from the Bill & Melinda Gates Foundation for support of a global partnership on NTDs, at £2.2 million, together with continuing income from the European Commission and USAID.

Investment income was £0.2 million in 2018.



Expenditure

Total expenditure in 2018 was £306.2 million, a decrease of £15.5 million compared with 2017. These lower total expenditures reflect the expenditure levels related to the distribution and use in our programmes of a lower overall value of donated gifts in kind.

Costs of raising funds, including institutional fundraising costs, reduced by £1.9 million year on year to £17.5 million. Both direct costs and allocated support costs were lower in 2018. These expenditures continue to represent our strategy to invest effectively in voluntary fundraising income and donor recruitment, with the objective of balancing and complementing the levels of grant and contract income received in recent years. Direct expenditure and investments were broadly maintained across all major markets and channels.

Total expenditure on charitable activities was £288.6 million in 2018, against £302.2 million in 2017. Whereas costs ascribed to Mectizan® tablets were constant, costs ascribed to gifted Zithromax® treatments were lower, representing a combined £232 million of expenditures for donated drugs, an overall decrease of £16 million.

Total expenditure on NTD programmes increased by £4.6 million, or 16%, reflecting an increase in both restricted and unrestricted funded activities. Total expenditure on health and eye care charitable activities reduced by £4.6 million, or 25%. These expenditure levels reflect a change in direct costs across these thematic categories, together with a rebalancing of allocated support costs. Recognising that the majority of our eye health work is funded from unrestricted income, the reduction in eye care expenditures is the main factor in reduced total unrestricted charitable expenditures. Increases in NTD

and social inclusion expenditures are the principal factors in increased underlying restricted charitable expenditures (exclusive of donated drug expenditures).

Total expenditures on each of the social inclusion and education thematic areas increased, reflecting the growth in related programmatic activity.

Overall our charitable expenditures, excluding donated drugs, were £2.3 million higher in 2018. This charitable expenditure increase has lagged behind the overall increase in cash income. This is in part due to some income being received in 2018 with related expenditure scheduled in future years, and also where we have increases in unrestricted income some lag in designing and resourcing new programmatic activity to absorb increases in funding.

These increased programme expenditures principally reflect higher direct costs and allocated support costs, offset by a small reduction in grants payable.





Children at Nandenje Primary School in Ruangwa, southern Tanzania, waiting to have their eyes checked for trachoma.

Grant-making policy

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



A list of principal grants is available on our website: www.sightsavers.org/how-were-run/annual-reports

Financial position and reserves

Reserves policy is decided by the Council, taking into consideration relevant Charity Commission guidance.

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

The target unrestricted reserve level was increased in 2018 by £0.5 million to £7.5 million, with flexibility of +/- £1.5 million, which strikes a balance between the need to spend down income and maintaining operational integrity. This level of reserves is consistent with Sightsavers' business model, with the slight increase in target reserves the outcome of the most recent formal assessment of the financial impact of key risks.

The level of unrestricted general reserves remains above the top end of the target range as at 31 December 2018, at £12.0 million.

The trustees believe this level of reserves is acceptable and prudent given the recent

award of new complex large grants and contracts, the continuing requirement for investment in fundraising and a desire for programmatic expansion in the future. In addition, reserves are being held to fund a planned deficit for the 2019 financial year, with the aim of continuing to grow programmatic activity, build capacity in the organisation and to allow further new sources of funding to be pursued. The reserves policy is periodically reviewed to ensure that it remains appropriate as circumstances change.

Sightsavers planned to run a modest deficit in 2018. The results for the year exceeded the plan, where outturn for the year saw a surplus of net income of £6.2 million. After transfers between funds, which captures the benefit of indirect cost recovery on restricted grants and contracts, the outturn unrestricted funds net income surplus was £5.4 million, with a surplus of £0.8 million for restricted funds.

The principal factors in these results are levels of donation income and legacy income above plan, principally in the UK, certain levels of expenditure underspend and the receipt and recognition of certain items of income later in 2018, with related expenditures falling in 2019.

Within net income we incurred a loss of £0.4 million on the investment portfolio, reflecting extremely poor markets performance towards the end of 2018. There was no actuarial gain or loss related to the defined benefit pension scheme. Overall, the net income surplus led to a financial surplus of £6.2 million in 2018 and net addition to our funds balances.

As at 31 December 2018, total fund balances were £22.6 million, comprising £16.5 million of total unrestricted funds, £0.2 million of endowment funds and £5.9 million of restricted funds.

The component items of the restricted funds balance are shown in note 22: statement of funds (see page 131). Funded

programmes that will have income and fund balances to spend down in 2019 include People's Postcode Lottery and Good Ventures Foundation (GiveWell).

During 2018, a £3 million liquidity reserve was established as a separately identifiable element within a higher overall level of designated funds of £4.5 million at year end. This was achieved by transferring £3 million of funds from the free reserve, within the general reserve. The liquidity reserve, separate to general reserves, does not contribute to meeting the reserves target, and is formal recognition that the organisation requires operating liquidity and a level of liquid net assets to facilitate ongoing financial operations.

As at 31 December 2018, following the designation of the liquidity reserve,

together with the effect of 2018 financial results, unrestricted funds comprised general reserves of £12.0 million and £4.5 million of designated funds. Of the designated funds, in addition to the new liquidity reserve, cash held overseas of £1.5 million is available for use.

As discussed in the income and expenditure sections of this review, we achieved a net income surplus of £6.2 million, the majority of which was represented by an unrestricted surplus, with only a portion reflecting certain timing differences between income recognition and expenditures across year end. As a result it was possible to designate the £3 million liquidity reserve and also achieve an increase in general reserves from £10.0 million to £12.0 million at year end 2018.



© Sightsavers/Jason J Mulikita

Eight-year-old Rabia with her father Mohamedi in Tanzania. During an eye screening at school, Rabia was diagnosed with trachoma and given medication to treat the infection.

Investments

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

The value of assets held with our fund manager at 31 December 2018 was £6.1 million. We hold a mix of investment assets including cash, fixed income, equity, hedge funds and real estate. We are currently maintaining a tactical asset allocation preference for equities over bonds. Due to extremely poor market conditions in the fourth quarter of 2018, the portfolio net of fees returned -3.8% over 2018, which was an improvement on the negative return of benchmark indices for the period. Sightsavers' level of fixed-asset investments is calibrated directly with the targeted quantum of reserves, with ongoing liquidity now more specifically addressed by a special designated liquidity reserve. The investment objectives are to maximise investment returns from a long-term discretionary portfolio, through both income and capital growth, at acceptable levels of risk, while maintaining good liquidity and in line with ethical standards consistent with our objects and values.

Pensions

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

Sightsavers also operates a defined benefit pension scheme for UK contracted employees. This scheme was closed to new entrants in 2002 and closed to future accruals for existing employees in August 2010. As set out in note 12 to the financial statements, under FRS 102 there was a deficit in the scheme of £0.1 million at the end of 2018.

The most recent full triennial actuarial valuation of the scheme was prepared as at 31 December 2015, with the process for a new such valuation as at 31 December 2018 currently in progress. Sightsavers will consult with trustees as the new valuation process nears completion to assess if any adjustments are required to the recovery plan. As agreed with the trustees of the pension plan, Sightsavers is contributing under an existing 10-year forward plan for ongoing contributions to the scheme at a monthly level of £30,000, effective 1 January 2017, as well as bearing the administration, operation and actuarial costs of the scheme.

Financial outlook

The strategic direction of the organisation is defined in the current strategic framework, which continues until the end of 2019.

Sightsavers has established and commenced a strategy refresh project to be conducted during 2019, to assess our progress over the past 10 years of strategy implementation. This will identify what could have been done better, calibrate where we stand as an organisation against evolving sector trends, and determine the implications going forward. The process will conclude with an updated strategic framework being presented to trustees in early 2020.

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

Currently Sightsavers continues to hold unrestricted reserves above the top end of the target range. The base 2019 financial plan is to run a deficit of approximately £2 million, reflecting projected income of approximately £94 million and expenditure of £96 million, each excluding pharmaceutical gifts in kind. Both these planned total income and expenditure levels, exclusive of gifts in kind, are above 2018 outturn levels.

A proportion of this deficit is made up of the timing difference between cumulative income recognition and expenditure to end 2018 on certain restricted income, including the Good Venture Foundation (GiveWell) and People's Postcode Lottery, which is held in restricted funds at year end 2018. In addition we will be expecting to draw down on our general reserves position, but we still plan to be ahead of our target of £7.5 million and possibly the top end of the range of +£1.5 million.

Following the award of the recent DFID Ascend contract we will perform a reforecast to update the financial plan for 2019, which is expected to change significantly. The review will be designed to be flexible and allow us to maintain or increase categories of expenditures, as we continue to transition to new and different forms of institutional funding.

Fundraising investment levels are planned to slightly increase in 2019, compared with 2018 expenditure outturn, as a part of the continuing strategy to strengthen the base of committed and ongoing givers across all fundraising markets.

While the fundraising climate in the UK remains challenging, we retain a positive outlook on this core market. We are also continuing our long-standing strategy of income diversification in international markets, including India.

Within the base 2019 plan, total charitable expenditures, including programme expenditures, are planned to be in the region of £80 million, excluding the value of gift-in-kind distributions, prior to the allocation of certain shared costs for statutory reporting purposes. This level of spend is a significant increase on the comparable outturn for 2018. It reflects a best view across the portfolio of projects, and includes new expenditures on the next phase of large NTD grants and contracts. Programme effectiveness is continually assessed and the portfolio of projects is expected to continue to evolve.

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

As noted, there are certain recent funding awards, and further potential funding opportunities, that are not included fully in the 2019 base plan figures, such as the DFID Ascend contract. Our ongoing reforecasts aim to capture and use the best available forward financial information, which we expect will lead to changes in the financial forecast for 2019, and in the following plan years.

Going concern

There is a reasonable expectation that Sightsavers has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that there are no material uncertainties that call into doubt the charity's ability to continue. The financial statements have therefore been prepared on the basis that the charity is a going concern, as described in note 2 (see page 104).



“

Saving people's sight isn't just a job: it's my calling.

Mr Ndalela is the only eye surgeon in the Senanga region of western Zambia who can carry out complicated procedures.

Public benefit

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

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

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the Royal Charter Company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 (and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended)) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

Disclosure of information to auditors

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

94/

Key people and suppliers

Patron

Her Majesty The Queen

President

Her Royal Highness Princess Alexandra,
The Hon Lady Ogilvy GCVO

Vice presidents

Lady Wilson OBE

Sir David Thompson KCMG

Sir Graham Burton KCMG

Lord Nigel Crisp KCB

Dr Ramachandra Pararajasegaram

Honorary officers

Martin Dinham CBE, Chair

Michael Chilton, Vice Chair
(stepped down July 2018)

Christopher Kinder, Vice Chair
(appointed July 2018)

Bill Kendall, Treasurer

Members of the Council (the trustees)

Abia Akram

Dr Uche Amazigo

Dr Robert Chappell OBE
(stepped down January 2019)

Michael Chilton
(stepped down July 2018)

Howard Dalzell

Maryanne Diamond

Martin Dinham CBE

Heather de Haes OAM
(appointed January 2018)

Barry Hoffman

Sir Clive Jones
(appointed August 2018)

Bill Kendall

Christopher Kinder

Stephen King
(stepped down July 2018)

Elaine Lee

Mavis Owusu-Gyamfi

Dr Manoj Parulekar

Prof Tuwani Rasengane
(appointed December 2018)

Louis Taylor
(appointed December 2018)

Prof Chris Whitty

The committees

Audit committee

Christopher Kinder, Chair

Dr Robert Chappell OBE
(stepped down December 2018)

Michael Chilton
(stepped down July 2018)

Bill Kendall

Louis Taylor
(appointed December 2018)

Martin Kyndt (non-trustee member)
(stepped down December 2018)

Richard Ufland (non-trustee member)

Governance committee

Martin Dinham CBE, Chair

Michael Chilton
(stepped down July 2018)

Barry Hoffman

Bill Kendall

Christopher Kinder

Stephen King
(stepped down July 2018)

Sir Clive Jones
(appointed August 2018)

Investment committee

Bill Kendall, Chair

Christopher Kinder

Michael Chilton
(stepped down July 2018)

Sir Clive Jones
(appointed August 2018)

Genny Kiff (non-trustee member)

Remuneration committee

Martin Dinham CBE, Chair

Christopher Kinder

Michael Chilton
(stepped down July 2018)

Bill Kendall

Barry Hoffman

Sir Clive Jones
(appointed August 2018)

Stephen King
(stepped down July 2018)

Strategy team

Dr Caroline Harper CBE, Chair
Chief Executive

Anna Becker
Director of Institutional Funding

Simon Bush
Director of Neglected Tropical Diseases

Dominic Haslam OBE
Director of Policy and Programme Strategy

Rebecca Jupp
Director of Individual Giving and Marketing

Kenneth Moon
Director of Finance and Performance

Thoko Pooley
Director of Partnerships, Uniting
to Combat NTDs

Gareth Roberts
Planning, Monitoring and Reporting Director

Elena Schmidt
Director of Strategic Programme
Development, Evidence and Research

Management team

Kenneth Moon, Chair
Director of Finance and Performance

Anna Becker
Director of Institutional Funding

Alistair Burnett
Director of News

Alicia Cummins
Director of PS2 Operations and Planning

Fatoumata Diouf
Regional Director, West Africa

Dr Caroline Harper CBE
Chief Executive

Dominic Haslam OBE
Director of Policy and Programme Strategy

Rebecca Jupp
Director of Individual Giving and Marketing

Charles Lamson
Chief Executive, Ireland

Thomas Millar
Neglected Tropical Diseases
Operations Director

RN Mohanty
Chief Executive, India

John Muriuki
Regional Director, East Central and
Southern Africa

Gareth Roberts
Planning, Monitoring and Reporting Director

Michael Straney
Director of Major Giving

Registered address

35 Perrymount Road
Haywards Heath
West Sussex RH16 3BW

Correspondence address

Bumpers Way, Bumpers Farm
Chippenham SN14 6NG

Principal bankers

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

Standard Chartered Bank
1 Basinghall Avenue
London EC2V 5DD

Allied Irish Bank
7/12 Dame Street
Dublin 2

Solicitors

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

Investment managers

UBS AG
5 Broadgate
London EC2M 2AN

Independent auditors

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

Independent auditors

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

Approved by the trustees and signed on their behalf on:



Martin Dinham, CBE
Chair

11/7/19

Date

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

Opinion

We have audited the financial statements of the Royal Commonwealth Society for the Blind for the year ended 31 December 2018, which comprise the consolidated statement of financial activities, group and charity balance sheets, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2018 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the [strategic report or the] directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

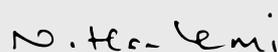
or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signature:



Naziar Hashemi
Senior Statutory Auditor

Date: 18 | 7 | 19

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

Consolidated statement of financial activities

Year ended 31 December 2018

	Note	Unrestricted funds 2018 £'000	Restricted funds 2018 £'000	Total 2018 £'000	Unrestricted funds 2017 £'000	Restricted funds 2017 £'000	Total 2017 £'000
Income and endowments from:							
Donations and legacies	3	31,596	20,569	52,165	30,529	17,221	47,750
Gifts in kind	4	358	232,106	232,464	543	247,993	248,536
Charitable activities	5	-	27,684	27,684	-	25,121	25,121
Investments	6	225	-	225	279	-	279
Other	7	227	-	227	25	-	25
Total income and endowments		32,406	280,359	312,765	31,376	290,335	321,711
Expenditure on:							
Raising funds	9	17,483	-	17,483	19,339	-	19,339
Charitable activities							
Health: eye care	8,9	2,991	10,888	13,879	8,524	9,911	18,435
Neglected tropical diseases	8,9	3,488	28,967	32,455	1,667	26,238	27,905
Gift-in-kind drug donation	8,9	-	232,106	232,106	-	247,993	247,993
Education	8,9	1,778	1,744	3,522	1,114	1,575	2,689
Social inclusion	8,9	1,141	2,851	3,992	1,776	976	2,752
Policy and research	8,9	2,659	-	2,659	2,358	29	2,387
Total charitable activities	8,9	12,057	276,556	288,613	15,439	286,722	302,161
Other	9	154	-	154	249	-	249
Total expenditure		29,694	276,556	306,250	35,027	286,722	321,749
Operating surplus/(deficit)		2,712	3,803	6,515	(3,651)	3,613	(38)
(Losses)/gains on investments	16	(355)	-	(355)	508	-	508
Net income/(expenditure)		2,357	3,803	6,160	(3,143)	3,613	470
Transfer between funds	22	2,973	(2,973)	-	1,242	(1,242)	-
Net income/(expenditure) before other recognised gains/(losses)		5,330	830	6,160	(1,901)	2,371	470
Actuarial gains on defined benefit pension scheme	12	15	-	15	199	-	199
Net movement in funds		5,345	830	6,175	(1,702)	2,371	669
Reconciliation of funds:							
Total funds brought forward		11,186	5,236	16,422	12,888	2,865	15,753
Total funds carried forward	22	16,531	6,066	22,597	11,186	5,236	16,422

Restricted funds include endowment funds, which had a balance at 31 December 2018 of £214,000 (2017: £214,000). See note 22 for further information. All incoming and outgoing resources arise from continuing activities. All gains and losses recognised in the year are included above.

Consolidated and charity balance sheet

31 December 2018

	Note	Group		Charity	
		2018 £'000	2017 £'000	2018 £'000	2017 £'000
Fixed assets					
Tangible assets	15	9	124	9	124
Investments	16	6,139	6,483	6,139	6,483
Total fixed assets		6,148	6,607	6,148	6,607
Current assets					
Debtors	17	4,371	4,620	6,627	5,348
Cash at bank and in hand	18	22,495	17,383	17,794	14,793
Total current assets		26,866	22,003	24,421	20,141
Liabilities					
Creditors: amounts falling due within one year	19	9,606	11,198	8,295	10,853
Net current assets		17,260	10,805	16,126	9,288
Total assets less current liabilities		23,408	17,412	22,274	15,895
Creditors: amounts falling due after more than one year	19	-	14	-	14
Provision for other liabilities	19,20	691	585	684	579
Net assets excluding pension (liability)		22,717	16,813	21,590	15,302
Defined benefit pension scheme (liability)	12	(120)	(391)	(120)	(391)
Total net assets		22,597	16,422	21,470	14,911
The funds of the charity:					
Unrestricted funds					
Free reserve	22,23	12,128	10,411	11,001	8,900
Pension reserve	12,22,23	(120)	(391)	(120)	(391)
General	22,23	12,008	10,020	10,881	8,509
Designated	22,23	4,523	1,166	4,523	1,166
Total unrestricted funds		16,531	11,186	15,404	9,675
Restricted funds	22,23	5,852	5,022	5,852	5,022
Endowment funds	22,23	214	214	214	214
Total funds		22,597	16,422	21,470	14,911

The net movement in funds for the financial year dealt with in the financial statements of the parent charity was £6,288,000 (2017: £553,000). The trustees have prepared group accounts in accordance with section 138 of the Charities Act 2011. The notes on pages 104-138 form part of these financial statements.

These financial statements were approved by the Council on 11 July 2019 and signed on their behalf by:

Chair *Matu J Diban*

Hon. Treasurer *W. Kendall*

Consolidated statement of cash flows

Year ended 31 December 2018

	Note	2018 £'000	2017 £'000
Net income/(expenditure) for the reporting period (as per the consolidated statement of financial activities)		6,175	668
Adjustments for:			
Depreciation charges		289	195
Losses/(gains) on investments	16	355	(508)
Investment income	6	(225)	(279)
Exchange rate (gain)	9	(154)	(246)
(Profit)/loss on sale of fixed assets	7	(227)	25
Increase in provisions		106	103
Decrease in debtors		248	1,260
(Decrease) in creditors		(1,605)	(2,043)
(Decrease) in defined benefit pension liabilities	12	(271)	(701)
Net cash provided by (used in) operating activities		4,691	(1,526)
Cash flows from investing activities:			
Payments to acquire tangible fixed assets	15	(174)	(32)
Payments to acquire investments	16	(1,656)	(1,358)
Receipts from sale of fixed assets		227	(25)
Receipts from sale of investments		1,573	1,373
Increase (decrease) in cash held for investment	16	72	(47)
Investment income	6	225	279
Net cash provided by investing activities		267	190
Cash flows from financing activities:			
Repayment of borrowing		-	-
Net cash provided by (used in) financing activities		-	-
Change in cash and cash equivalents		4,958	(1,336)
Cash and cash equivalents at the beginning of the year		17,383	18,473
Exchange gains on cash equivalents		154	246
Cash and cash equivalents at the end of the year		22,495	17,383
Cash and cash equivalents consist of:			
Cash in hand		22,495	17,383
Notice deposits (less than three months)		-	-
Total cash and cash equivalents		22,495	17,383



Muslima, from Bangladesh, with her mother following a cataract operation that saved her sight and enabled her to return to school.

Notes to the financial statements

Year ended 31 December 2018

1 Charity information

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

2 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified by the inclusion of investments at market value, and in accordance with applicable United Kingdom accounting standards. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. The accounting policies have been applied consistently throughout the current and previous year.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn.

The trustees' report includes a review of financial performance and the charity's reserves position (page 88). Sightsavers has adequate financial resources and is well placed to manage the business risks. The planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. There is a reasonable expectation that Sightsavers has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that there are no material uncertainties that call into doubt the charity's ability to continue. The financial statements have therefore been prepared on the basis that the charity is a going concern.

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

Basis of consolidation

The financial statements consolidate the results of the charity and its subsidiary undertakings on a line-by-line basis. A separate Statement of Financial Activities (SOFA) has not been presented for the charity alone, which is consistent with previous years. The net result for the charity (which includes all its branches) is a surplus of £6,288,000, which comprises income of £67,539,000, expenditure of £60,896,000, and a loss on investment of £355,000 (2017 surplus of £553,000). Sightsavers has the following subsidiary undertakings for which group accounts have been prepared. These all undertake fundraising activity in their local jurisdictions.

Sightsavers (Trading) Limited is a UK registered company (no: 2464229). Control is established by virtue of the charity owning 100% of the issued share capital of the organisation.

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

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

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

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

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

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

Fund accounting

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

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

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

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

Income

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

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

The following specific policies apply to categories of income:

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

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

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

Expenditure

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

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

Amounts payable to partners for overseas projects are charged when an obligation exists and are described as grants payable in note 9. These payments are made under standard partner agreements, which include an agreed project budget, in response to payment requests made by the partner. These requests are reviewed and approved on an individual basis and the obligation to pay exists and is generally recognised as a partner payable, as opposed to an accrual, once the request has been approved.

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

Redundancy costs (termination benefits) are recognised as an immediate cost and charged to the SOFA on a demonstrable commitment to termination, with provision

for future redundancy costs measured at a best estimate of the expenditure that would be required to settle the obligation at the reporting date.

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

Allocation of support costs

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

Operating leases

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

Finance leases

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

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

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

Tangible fixed assets

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

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

Investments

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

Debtors

Debtors are measured in the accounts at their recoverable amount.

Creditors

Creditors are measured in the accounts at their settlement amount.

Forward exchange contracts

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

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

Financial instruments

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

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

Provisions

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

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

Pension

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

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

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

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

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

Foreign exchange

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

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

Functional/presentation currency

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

Critical accounting judgements and key sources of estimation uncertainty

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

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

The key sources of estimation uncertainty that have an effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

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

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



Maria, from Malawi, had surgery to treat advanced trachoma and restore her sight.

3 Donations and legacies

	2018 £'000	2017 £'000
Individuals		
UK	17,056	16,338
Ireland	3,171	3,105
Italy	2,596	2,357
India	1,905	1,486
Other	1,223	1,278
Total from individuals	25,951	24,564
Legacies		
Government, NGO and institutional donors	5,319	4,456
Companies	3,800	2,620
Trusts	5,434	4,608
Community service and other organisations	329	2,118
Total	52,165	47,750
Donations, excluding legacies, above £100,000 included within the above:		
Government, NGO and institutional donors:		
Irish Aid	1,535	1,531
DFID Inclusion Works	871	-
Conrad N. Hilton Foundation	689	969
DFID AID Match	485	-
The END Fund	390	619
Fred Hollows Foundation	362	645
Liverpool School of Tropical Medicine	258	-
Big Lottery Fund	244	-
Charity Projects Comic Relief	119	182
IZUMI Foundation	110	120
Companies:		
Standard Chartered Seeing is Believing	877	875
People's Postcode Lottery	1,074	-
Arab Fund	-	131
Dubai Duty Free	116	116
Dubai Cares	428	-
Trusts:		
Good Ventures Foundation (GiveWell)	1,947	2,442
Community service and other organisations:		
Lions	-	1,129
Imperial College of Science and Medicine	170	-

As at 31 December 2018, in addition to legacy income that has been included in the accounts, Sightsavers is expected to benefit from a number of legacies from estates for which the administration had yet to be finalised nor Sightsavers notified that a payment will be made. Sightsavers' future income from these legacies is estimated at £11,567,000 (2017: estimated at £11,300,000). In addition, Sightsavers is the future beneficiary of legacy assets transferred to and held in trust, with an estimated value of £2,014,000.

4 Gifts in kind

In 2018, Sightsavers International Inc. secured gift-in-kind donations valued at £222,458,000 (2017: £221,956,000) from Merck & Co Inc in the form of Mectizan[®] tablets, which have been shipped to Benin, Cameroon, Cote D'Ivoire, Ghana, Liberia, Malawi, Nigeria, Democratic Republic of Congo and Togo.

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

In 2018 Sightsavers received a shipment of the drug Zithromax[®] from the International Trachoma Initiative (ITI), an organisation founded by Pfizer. This donation has been valued at £9,648,000 (2017: £26,037,000).

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

In summary:

Gifts in kind drug donation	2018 £'000	2017 £'000
Mectizan [®]	222,458	221,956
Zithromax [®]	9,648	26,037
Total	232,106	247,993

During the year, Sightsavers utilised 33,037,000 airmiles (2017: 30,472,000) for the purpose of 383 related flights (2017: 341), that were donated by Emirates. These have been valued at £261,000 (2017: £258,000) based on the lowest economy fare available at the time of travel.

Google grants is a unique gift-in-kind donation programme that awards free Adwords advertising to selected charitable organisations. It supports organisations that share Google's philosophy of community service to help the world in areas such as science and technology, education, global public health, the environment, youth advocacy and the arts. During the year Sightsavers secured donations valued at £97,000 (2017: £285,000).

5 Income from charitable activities

	2018 £'000	2017 £'000
Accelerate partners	2,255	-
DFID Aid Match	974	1,389
DFID UK Aid Match Onchocerciasis/LF	992	1,171
DFID Health Services Onchocerciasis/LF	320	306
DFID Nigeria NTD	1,643	2,081
DFID SAFE	8,111	9,453
DFID DID	357	-
European Commission	574	529
The Gates Foundation	2,235	1,471
The Queen Elizabeth Diamond Jubilee Trust	9,427	7,917
The World Bank	285	6
USAID (through HKI, JSI and RTI)	511	798
	27,684	25,121

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

6 Investment income

	2018 £'000	2017 £'000
Dividends from investments	163	201
Bank deposit interest	62	78
Total	225	279

7 Other income

	2018 £'000	2017 £'000
Profit on disposal of fixed assets	227	25
Total	227	25

8 Charitable activities

	Health eye care £'000	Neglected tropical diseases £'000	Gift- in-kind drugs £'000	Education £'000	Social inclusion £'000	Policy and research £'000	2018 £'000	2017 £'000
Kenya	162	1,435	-	183	-	-	1,780	2,118
Malawi	202	426	-	272	-	-	900	1,477
Mozambique	454	160	-	-	-	-	614	802
Sudan	56	115	-	-	-	-	171	816
South Sudan	90	180	-	-	-	-	270	511
Tanzania	937	351	-	-	-	-	1,288	1,398
Uganda	208	1,121	-	131	358	-	1,818	2,117
Zambia	312	1,080	-	-	-	-	1,392	2,203
Zimbabwe	39	43	-	2	-	-	84	81
East Central Southern Africa (ECSA) Regional Office	178	161	-	21	9	-	369	288
Sub-total ECSA	2,638	5,072	-	609	367	-	8,686	11,811
Benin	-	83	-	-	-	3	86	130
Burkina Faso	-	145	-	-	-	2	147	122
Cameroon	55	1,134	-	212	217	12	1,630	1,484
Cote D'Ivoire	-	413	-	-	-	2	415	412
Ghana	75	282	-	-	27	-	384	301
Guinea	43	593	-	13	-	11	660	395
Guinea-Bissau	-	691	-	-	-	-	691	376
Liberia	482	205	-	51	-	6	744	677
Mali	136	473	-	329	-	-	938	959
Nigeria	470	4,237	-	-	-	-	4,707	4,310
Senegal	258	141	-	206	168	67	840	660
Sierra Leone	383	121	-	289	14	5	812	1,086
The Gambia	-	42	-	-	-	-	42	102
Togo	-	96	-	-	1	5	102	83
West Africa Regional Office	16	19	-	16	16	16	83	121
Sub-total WARO	1,918	8,675	-	1,116	443	129	12,281	11,218
India	3,288	-	-	274	636	-	4,198	3,854
India Regional Office	446	-	-	77	105	70	698	549
Sub-total India	3,734	-	-	351	741	70	4,896	4,403
Bangladesh	1,006	-	-	7	33	-	1,046	1,181
Pakistan	632	8	-	170	37	-	847	1,246
Sub-total South Asia	1,638	8	-	177	70	-	1,893	2,427
Caribbean	-	-	-	-	-	-	-	(3)

	Health eye care £'000	Neglected tropical diseases £'000	Gift- in-kind drugs £'000	Education £'000	Social inclusion £'000	Policy and research £'000	2018 £'000	2017 £'000
Global programmes	11	12,176	-	-	-	-	12,187	12,093
Gifts in kind	231	-	232,106	-	-	-	232,337	248,228
Central support functions	1,460	379	-	537	555	561	3,492	2,468
Programme technical support	1,374	4,639	-	629	756	780	8,178	5,956
Advocacy and policy support	875	1,506	-	103	1,060	1,119	4,663	3,560
Direct charitable expenditure	13,879	32,455	232,106	3,522	3,992	2,659	288,613	302,161

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

- 1. Eye health:** our programmes cover various service interventions, with cataracts being a particular focus, and we focus on various aspects of eye health system strengthening programmes.
- 2. Neglected tropical diseases (NTDs):** we have continued with three large grants: the Department for International Development (DFID) SAFE (trachoma in Ethiopia, Zambia, Tanzania, Chad and additionally South Sudan); the Queen Elizabeth Diamond Jubilee Trachoma Initiative (in Kenya, Mozambique, Uganda, Malawi and one state of Nigeria); and the UNITED programme (integrated NTDs in Nigeria, funded by DFID). In 2018 we started a new grant: the Accelerate programme (eliminating trachoma in 10 African countries and making significant progress towards elimination in another three).
- 3. Education:** examples of our education programmes include developing teaching and college systems and access to them, and developing community-based education centres.
- 4. Social inclusion:** our programmes look to improve economic empowerment and political participation, with a particular focus on gender and advocacy. In 2018 we started two large grants: DFID Disability Inclusive Development (DID) (in Bangladesh, Kenya, Nigeria and Tanzania) and DFID Inclusion Works (in Bangladesh, Kenya, Nigeria and Uganda).
- 5. Policy and research:** these activities consistently underpin our programme work.

9 Total expenditure

	Grants payable £'000	Direct costs £'000	Gifts in kind £'000	Allocation of support costs £'000	Total 2018 £'000	Total 2017 £'000
Raising funds	-	15,141	127	2,215	17,483	19,339
Charitable activities						
Health: eye care	5,199	6,800	231	1,649	13,879	18,435
Neglected tropical disease	17,999	13,117	-	1,339	32,455	27,905
Gift-in-kind medication	-	-	232,106	-	232,106	247,993
Education	593	2,168	-	761	3,522	2,689
Social inclusion	1,375	1,860	-	757	3,992	2,752
Policy and research	9	1,970	-	680	2,659	2,387
Other	-	154	-	-	154	249
Total resources expended 2018	25,175	41,210	232,464	7,401	306,250	n/a
Total resources expended 2017	25,796	40,301	248,536	7,116	n/a	321,749

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

Direct costs include costs of £9,396,000 that are directly attributable to generating funds (2017: £10,332,000), costs associated with the direct operation of the overseas programmes, including the procurement of equipment for use in the programmes of £1,629,000 (2017: £2,173,000), informing and creating awareness among the public, and governance of Sightsavers. Staff costs included in direct costs are £15,975,000 (2017: £14,540,000).



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

Support costs and the basis of their allocation

	2018 £'000	2017 £'000
Directorate	63	103
Governance	2,099	1,733
Financial management	492	494
Information communication technology	1,953	2,038
Human resources	516	589
Planning, performance and reporting	125	71
Programme support	2,153	2,088
Total	7,401	7,116

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

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

Other costs include foreign exchange gains and losses. In 2018 a foreign exchange loss of £200,000 (2017: loss of £200,000) arose on the translation of foreign currency denominated monetary net assets.

10 Net income/expenditure

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Stated after charging:				
Depreciation		289		195
Fees paid to Crowe:				
UK charity audit	71		72	
Pension scheme audit	6		6	
USAID audit	10		17	
		87		95
Fees paid to other audit firms:				
International audits	154		155	
EC project verification	15		8	
		169		163
Investment managers' fees		40		53
Operating lease charges		778		624

11 Staff costs

	2018 £'000	2017 £'000
Wages and salaries	14,891	14,006
Social security costs	1,365	1,285
Employer's contribution to defined contribution pension scheme	961	686
Operating costs of defined benefit pension scheme	98	-
End-of-service benefit	447	417
Other employee benefits	569	536
Total	18,331	16,930

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

	2018 No.	2017 No.
Directorate	8	8
Finance and performance	81	72
Global fundraising	77	69
NTDs	22	22
Policy and programme strategies	85	75
International programmes	287	270
Total	560	516

Half of the staff number increase relates to new grants or contracts, hence their costs are recovered directly under those grants/contracts. Other increases represent a broad investment across a range of departments supporting our international diversification in fundraising, strengthening of technical capacity and additional regulatory requirements.

The total employee remuneration of the Chief Executive and her direct reports was £956,984 (2017: £872,519), inclusive of employer pension and national insurance contributions.

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

Range	No. employees	
	2018	2017
£60,000 – £69,999	13	12
£70,000 – £79,999	4	2
£80,000 – £89,999	6	4
£90,000 – £99,999	2	-
£100,000 – £109,999	-	2
£110,000 – £119,999	1	3
£120,000 – £129,999	1	1
£130,000 – £139,999	2	1

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

The Chief Executive received the highest base salary and the third highest emoluments in 2018.

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

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

Redundancy and termination payments made and provided for during the year to employees for compensation for loss of employment totalled £1,374 (2017: £38,982).

12 Pension costs

Sightsavers operates a defined contribution pension scheme for UK staff. The assets of the scheme are held separately from those of the charity in an independently administered fund. Sightsavers contributes twice the level of an employee's contribution, up to a maximum of 10% of pensionable pay. Contributions payable by Sightsavers were £934,315 in 2018 (2017: £802,895), of which £89,495 was outstanding at the balance sheet date (2017: £67,631). The disclosure in note 11 also includes the costs of contributions to overseas pension schemes.

Sightsavers operates a defined benefit pension scheme in the UK. This is a separate trustee-administered fund holding the pension scheme assets to meet long-term pension liabilities. The scheme was closed to new members on 30 September 2002 and closed to future accrual on 31 August 2010, although active members at that date continue to have their benefits linked to future salary increases. A full actuarial valuation is carried out at bank and every three years by a qualified actuary, independent of the scheme's sponsoring employer, the latest available at 31 December 2015, with a new full valuation due and currently being worked as at 31 December 2018. The major assumptions used by the actuary for financial reporting purposes are shown on page 122.

Sightsavers agreed with the trustees to aim to eliminate the scheme deficit under the 2012 valuation over a period of six years from 1 January 2013 by the payment of contributions of £624,000 per annum until 31 December 2018. However, following the sale of a freehold property in Haywards Heath, Sightsavers made a single lump sum payment in May 2014 in respect of all remaining monthly deficit contributions due for the period up to 30 June 2016. The regular contributions were due to resume in July 2016, however Sightsavers agreed

to resume contributions at the rate of £55,000 per month, effective from 1 July 2015, payable until 31 December 2018. In the first quarter of 2017 Sightsavers agreed further funding, including a new forward plan for ongoing contributions to the scheme, at a monthly level of £30,000, effective 1 January 2017 and extending beyond 2018.



© Sightsavers/Javier Acebal

Seven-year-old Aliou, from Senegal, has visual impairments, but a Sightsavers-supported inclusive education project is enabling him to go to school.

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

	2018 £'000	2017 £'000	2016 £'000
Fair value of plan assets	13,946	14,565	13,901
Present value of defined benefit obligation	(14,066)	(14,956)	(14,993)
Surplus (deficit) in plan	(120)	(391)	(1,092)
Unrecognised surplus	-	-	-
Defined benefit asset (liability) to be recognised	(120)	(391)	(1,092)

Reconciliation of opening and closing balances of the defined benefit obligation

	2018 £'000	2017 £'000
Defined benefit obligation at start of period	14,956	14,993
Expenses	-	-
Interest expense	369	400
Actuarial losses (gains)	(946)	(70)
Benefits paid and expenses	(411)	(367)
Losses (gains) due to benefit changes	98	-
Defined benefit obligation at end of period	14,066	14,956

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

	2018 £'000	2017 £'000
Fair value of plan assets at start of period	14,565	13,901
Interest income	363	377
Actuarial gains (losses)	(931)	129
Contributions by the employer	360	525
Benefits paid and expenses	(411)	(367)
Fair value of plan assets at end of period	13,946	14,565

The actuarial return on the plan assets over the period ending 31 December 2018 was £568,000 (2017: £506,000).

Defined benefit costs recognised in net income/(expenditure)

	2018 £'000	2017 £'000
Net interest cost	6	23
Losses (gains) due to benefits changes	98	-
Defined benefit cost recognised in resources expended	104	23

Defined benefit costs recognised in other recognised gains (losses)

	2018 £'000	2017 £'000
Return on plan assets (excluding amounts included in net interest cost) – gain	(931)	129
Gains arising on the plan liabilities	(75)	121
Effects of changes in the demographic and financial assumptions underlying the present value of the plan liabilities – (loss)	1,021	(51)
Total	15	199

The assets of the scheme are held with Legal & General, M&G and Standard Life. The managed funds are invested in a diversified portfolio of investments comprising 52.8% growth assets, 24.2% gilts, 22.7% corporate bonds and 0.3% cash.

The fair value of assets of the scheme at 31 December 2018, along with the expected percentage rates of return (Asset RoR) on the scheme assets, are as follows:

	Asset RoR%	2018 £'000	Asset RoR%	2017 £'000	Asset RoR%	2016 £'000
Growth assets		7,370		7,885		7,373
Gilts		3,371		3,367		3,405
Corporate bonds		3,161		3,281		3,076
Cash		44		32		47
Total assets	2.80%	13,946	2.50%	14,565	2.70%	13,901

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

As required for the preparation of statutory accounts and in accordance with the requirements of FRS 102, the actuarial valuation was updated by JLT Benefit Solutions Limited at 31 December 2018. The major assumptions used for the purpose of calculating the deficiency were:

	2018	2017	2016
Discount rate	2.80%	2.50%	2.70%
Inflation (RPI)	3.25%	3.25%	3.35%
Inflation (CPI)	2.25%	2.25%	2.35%
Salary increases	2.55%	2.55%	2.65%
Allowance for revaluation of deferred pensions of CPI or 5% p.a. if less	2.25%	2.25%	2.35%
Allowance for pension in payment increases of RPI or 8.5% p.a. if less	3.15%	3.15%	3.25%
Allowance for pension in payment increases of RPI or 5% p.a. if less	3.15%	3.15%	3.25%
Allowance for pension in payment increases of CPI or 3% p.a. if less	2.25%	2.25%	2.35%

The mortality assumptions adopted at 31 December 2018 imply the following life expectancies at age 65:

	2018 Years	2017 Years
Member aged 65 (current life expectancy): male	21.8	22.1
Member aged 45 (life expectancy at 65): male	22.8	23.5
Member aged 65 (current life expectancy): female	23.7	23.9
Member aged 45 (life expectancy at 65): female	24.9	25.4

Contributions to be paid by Sightsavers to the scheme under the existing recovery plan for the year commencing 1 January 2019 are £360,000. These may be subject to upward adjustment depending on the conclusion of the triennial actuarial valuation of the scheme as at 31 December 2018, which is currently in progress.

13 Trustees' expenses

	2018		2017	
	No. of trustees	£'000	No. of trustees	£'000
Reimbursed to trustees:				
UK-related	12	17	12	22
Programme visits	4	15	8	20

No emoluments or any other benefits have been received by the trustees (2017: £nil). Trustees can be reimbursed for their travel and subsistence expenses in attending meetings. Additionally, trustees may occasionally visit Sightsavers' partners and programmes overseas, with costs of such trips being met by the charity. Trustees are encouraged to visit at least one international programme in every four-year term served.

14 Related party transactions

The International Agency for the Prevention of Blindness (IAPB) is identified as a related party and was paid £110,278 in 2018 (2017: £149,724). In 2018 this payment was made primarily in support of the human resources for eye health programmes in Africa and also includes Sightsavers' membership fee to IAPB, with no payable balance outstanding at the end of the year (2017: £nil). During 2018, gifts in kind totalling £nil (2017: £44,679) were provided by Sightsavers to the IAPB. Sightsavers received grant funding of £784,993 in 2018 (2017: £794,792) from Standard Chartered Bank's 'Seeing Is Believing' programme, which is co-managed by the IAPB.

The following are also trustees of the IAPB:

Dr Caroline Harper: Chief Executive of Sightsavers.

Dr Robert Chappell: trustee of Sightsavers.

Dr Caroline Harper is a board member of Accountable Now (formally INGO Accountability Charter), which was paid £6,158 in 2018 (2017: £5,973) for membership fees. No balance was outstanding at the end of the year (2017: £nil). Dr Harper is also on the board of trustees of the International Civil Society Centre; the Centre was paid £35,590 in 2018 (2017: £14,860) for workshop and support payments.

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

	2018		2017	
	Grants from Sightsavers UK £'000	Intercompany balances at 31 December £'000	Grants from Sightsavers UK £'000	Intercompany balances at 31 December £'000
Sightsavers Ireland	-	881	-	464
Sightsavers Italia	-	497	-	317
Sightsavers International Inc.	-	(95)	15	(95)
Sightsavers Inc.	-	924	15	594
Insamlingsstiftelsen Sightsavers International (Sverige)	145	119	828	120
Stiftelsen Sightsavers International Norge	106	92	345	17
Sightsavers Middle East Consultancy FZE	-	-	189	-
Sightsavers (Trading)	-	24	-	21

15 Tangible fixed assets

	Freehold property £'000	Leasehold property £'000	Computer equipment £'000	Office fixtures and fittings £'000	Motor vehicles £'000	Total £'000
Cost or valuation						
At 1 January 2018	59	747	22	266	877	1,971
Additions	-	-	-	-	174	174
Disposals	-	-	-	-	(26)	(26)
At 31 December 2018	59	747	22	266	1,025	2,119
Depreciation						
At 1 January 2018	59	623	22	266	877	1,847
Charge for the year	-	115	-	-	174	289
Disposals	-	-	-	-	(26)	(26)
At 31 December 2018	59	738	22	266	1,025	2,110
Net book value						
At 31 December 2018	-	9	-	-	-	9
At 1 January 2018	-	124	-	-	-	124

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

16 Investments

	Group		Charity	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Market value at 1 January	6,294	5,801	6,294	5,823
Disposals at opening market value	(1,554)	(1,255)	(1,554)	(1,277)
Acquisitions at cost	1,656	1,357	1,656	1,357
Net unrealised (losses)/gains on revaluation at 31 December*	(374)	391	(374)	391
	6,022	6,294	6,022	6,294
Cash held in portfolio at 31 December	117	189	117	189
Market value at 31 December	6,139	6,483	6,139	6,483
Historical cost at 31 December	6,397	5,903	6,397	5,903
Fund managed investments at market value	6,022	6,294	6,022	6,294
Non-fund managed investments at trustees valuation	-	-	-	-
	6,022	6,294	6,022	6,294

* In addition to the 2018 unrealised losses shown above, there were realised gains of £19,097 in the year (2017: realised gains of £117,000), which combine to provide the total net loss on investments as shown in the statement of financial activities on page 100.

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

	%	2018 £'000	2017 £'000
Key Multi Manager Hedge Fund Diversified	11.08	667	669
UBS ETF PLC MSCI UK SOC RES UCITS	9.56	663	629
Charity Property Fund	8.11	462	462
UBS INV Funds ICVC S&P	5.09	308	344

16 Investments (continued)

Subsidiary undertakings

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

	Assets £'000s	Liabilities £'000s	Net assets £'000s	Capital £'000s	Income £'000s	Expenditure £'000s	Surplus/ (deficit) £'000s
2018 Sightsavers Ireland	1,622	934	688	-	5,412	5,668	(256)
Sightsavers Italia	1,001	823	178	-	2,652	2,960	(308)
Sightsavers International Inc.	150	9	141	-	22	19	3
Sightsavers Inc.	2,260	2,190	70	-	3,337	3,152	185
Insamlingsstiftelsen Sightsavers International (Sverige)	147	155	(8)	-	800	807	(7)
Stiftelsen Sightsavers International Norge	189	128	61	11	535	532	3
Sightsavers Middle East Consultancy FZE	-	-	-	-	-	-	-
Sightsavers Trading	26	28	(2)	-	2	5	(3)
2017 Sightsavers Ireland	1,477	534	943	-	5,335	5,543	(208)
Sightsavers Italia	1,074	588	486	-	2,417	2,662	(245)
Sightsavers International Inc.	146	9	137	-	511	495	16
Sightsavers Inc.	487	602	(115)	-	3,400	3,557	(157)
Insamlingsstiftelsen Sightsavers International (Sverige)	183	185	(2)	-	1,781	1,776	5
Stiftelsen Sightsavers International Norge	105	46	59	11	612	621	(9)
Sightsavers Middle East Consultancy FZE	-	-	-	-	189	208	(19)
Sightsavers Trading	26	26	-	-	6	6	-

During 2017 Sightsavers Middle East Consultancy FZE was voluntarily liquidated, and at 31 December 2017 held no assets or liabilities and was awaiting cancellation of its licence by the Dubai Silicon Oasis authority. Sightsavers has consolidated its presence in Dubai and the UAE under its branch licensed by the International Humanitarian City, transferring to it all operations, ongoing staff and assets and liabilities of Sightsavers Middle East Consultancy FZE, effective 31 October 2017.

The process of liquidation of Sightsavers Middle East Consultancy FZE was completed in January 2018.

17 Debtors

	Group		Charity	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Amounts owed by group and associated undertakings	-	-	2,792	1,533
Prepayments and accrued income	3,900	4,076	3,334	3,378
Other debtors	471	544	501	437
	4,371	4,620	6,627	5,348

Amounts owed by group and associated undertakings were: Sightsavers (Trading) £24,000 (2017: £21,000), Sightsavers Italia £515,000 (2017: £317,000), Sightsavers Ireland £881,000 (2017: £464,000), Sightsavers Inc. £1,160,000 (2017: £594,000), Sightsavers Norway £92,000 (2017: £17,000), and Sightsavers Sweden £119,000 (2017: £120,000).

The charity is committed to purchasing a total of USD \$2.32 million (2017 \$0.78 million) under forward contract at 31 December 2018, and to sell a commensurate amount of GBP at a USD/GBP rate of 1.2882, as part of its operational foreign exchange risk management strategy. The fair value of these forward purchases is held within Other Debtors. See notes 21 and 25 for further details.

18 Cash at bank and in hand

Cash at bank includes money received at the year end which is to be expended in the first quarter of 2019. In addition, further funds were received in advance to facilitate short-term cash commitments later than three months. In general these are held in short-term, highly liquid interest earning deposit accounts with our existing relationship bank partners until they are required.

As at 31 December 2018, restricted cash stands at £13,927,290 (2017: £11,833,000).

19 Creditors

Amounts falling due within one year

	Group		Charity	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Bank loans and overdrafts	-	303	-	303
Amounts owed to group and associated undertakings	-	-	112	95
Payments received on account for contracts or performance-related grants	4,731	6,829	3,709	6,829
Accruals and deferred income	3,053	1,895	2,813	1,524
Taxation and social security	454	403	421	375
Other creditors	1,368	1,768	1,240	1,727
	9,606	11,198	8,295	10,853

Amount owed to group and associated undertakings was: Sightsavers International Inc. £112,000 (2017: £95,000).

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

Amounts falling due after more than one year

	Group		Charity	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Other creditors	-	14	-	14
Provisions for other liabilities	691	585	684	579
	691	599	684	593

Movement on deferred income during the year

	Group		Charity	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Balance brought forward	7,109	8,561	7,109	7,509
Received in year	23,251	19,891	21,990	19,876
Released to income	(23,848)	(21,343)	(23,608)	(20,276)
Balance carried forward	6,512	7,109	5,491	7,109

The balance carried forward on deferred income is split between payments received on account for contracts or performance-related grants and an element from accruals and deferred income. This element comprises funding received in advance for 2019 projects.

20 Provision for other liabilities

The charity had the following provisions during the year:

		Dilapidations provisions £'000	End of contract/ service benefit £'000	Employee benefit accrual £'000	Total 2018 £'000	Total 2017 £'000
Group	At 1 January 2018	54	407	124	585	481
	Additions	-	333	147	480	424
	Utilised	-	(256)	-	(256)	(193)
	Reversals	-	-	(123)	(123)	(85)
	Foreign exchange translation adjustment	-	5	-	5	(42)
	At 31 December 2018	54	489	148	691	n/a
	At 31 December 2017	54	407	124	n/a	585
Charity	At 1 January 2018	50	407	122	579	469
	Additions	-	333	145	478	430
	Utilised	-	(256)	-	(256)	(193)
	Reversals	-	-	(122)	(122)	(85)
	Foreign exchange translation adjustment	-	5	-	5	(42)
	At 31 December 2018	50	489	145	684	n/a
	At 31 December 2017	50	407	122	n/a	579

Dilapidations provision

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

End-of-contract/service benefit

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

Employee benefit accrual

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

22 Statement of funds

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

2018

	Balance at 1 January 2018 £'000	Income £'000	Expenditure £'000	Investment gains/ (losses) £'000	Transfers £'000	Balance at 31 December 2018 £'000
Endowment funds: Mountjoy Trust	214	-	-	-	-	214
Total endowment funds	214	-	-	-	-	214
Total funds	16,422	312,765	(306,250)	(340)	-	22,597



©Sight Savers/ Jason J Mulikita

Placeddess (left) and her daughter Biroza, from Mbire in central Zimbabwe, have family members with trachoma who are receiving treatment to ensure they don't lose their sight.

2017

	Balance at 1 January 2017 £'000	Income £'000	Expenditure £'000	Investment gains/ (losses) £'000	Transfers £'000	Balance at 31 December 2017 £'000
General reserve:						
Free reserve	11,952	31,376	(35,529)	508	2,104	10,411
Pension reserve	(1,092)	-	502	199	-	(391)
Designated funds:						
Future overseas expenditure	1,741	-	-	-	(699)	1,042
Fixed assets fund	287	-	-	-	(163)	124
Total unrestricted funds	12,888	31,376	(35,027)	707	1,242	11,186
Restricted funds:						
Donations and legacies:						
Kumba International	70	-	(101)	-	31	-
Standard Chartered Bank Seeing is Believing	196	875	(945)	-	(8)	118
Irish Aid	-	1,531	(1,442)	-	(89)	-
States of Jersey	40	337	(339)	-	(33)	5
Fred Hollows Foundation	-	645	(485)	-	(48)	112
Charity Projects Comic Relief	114	182	(181)	-	(16)	99
Conrad N. Hilton Foundation	165	969	(739)	-	(24)	371
Dubai Duty Free	-	116	(116)	-	-	-
The END Fund	503	619	(1,073)	-	70	119
IZUMI Foundation	-	120	(105)	-	-	15
Good Ventures Foundation (GiveWell)	-	2,442	(706)	-	-	1,736
RPG Foundation	-	287	(217)	-	-	70
London School of Tropical Medicine	-	501	(241)	-	(28)	232
Imperial College of Science, Technology and Medicine	-	399	(347)	-	(52)	-
Big Lottery Fund	-	82	(16)	-	(5)	61
Other	948	8,116	(7,878)	-	(120)	1,066
Sub-total	2,036	17,221	(14,931)	-	(322)	4,004
Gifts in kind	-	247,993	(247,993)	-	-	-
Income from charitable activities:						
DFID Nigeria NTD	615	2,081	(1,731)	-	-	965
DFID Global Trachoma Mapping Project	-	-	(14)	-	14	-
DFID Aid Match and Health Services Onchocerciasis/Lymphatic filariasis	-	1,477	(1,465)	-	(12)	-
DFID SAFE	-	9,453	(9,219)	-	(234)	-
DFID Aid Match	-	1,389	(1,433)	-	44	-
USAID	-	798	(671)	-	(74)	53
The Queen Elizabeth Diamond Jubilee Trust	-	7,917	(7,481)	-	(436)	-
The Gates Foundation	-	1,471	(1,274)	-	(197)	-
The World Bank	-	6	(42)	-	36	-
EC CCB	-	77	3	-	(80)	-
EC Uganda	-	190	(179)	-	(11)	-
EC Sierra Leone	-	262	(292)	-	30	-
Sub-total	615	25,121	(23,798)	-	(920)	1,018
Total restricted funds	2,651	290,335	(286,722)	-	(1,242)	5,022
Endowment funds:						
Mountjoy Trust	214	-	-	-	-	214
Total endowment funds	214	-	-	-	-	214
Total funds	15,753	321,711	(321,749)	707	-	16,422

Designated funds

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

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

A liquidity reserve has been designated at year end 2018, at a level of £3 million, to ensure adequate operational liquidity and cash availability to support the day-to-day operations of the charity.

Restricted funds

The transfer to unrestricted funds of £2,973,000 relates mainly to funds received as part of restricted funding agreements that are provided for Sightsavers' indirect costs, principally under our grant contracts with DFID and the Trust Trachoma grant.

Endowment funds

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

The principal grant contracts that Sightsavers has classified as restricted-fund projects in 2018, the majority of which are recognised under charitable activities, are set out here.

Donor name	Countries affected	Formal contract name
Irish Aid	Cameroon, Liberia, Mali, Senegal, Sierra Leone	Strengthening Sightsavers' reach and impact in West Africa
States of Jersey	Mozambique, Zambia, Nigeria, Ghana	Jersey Overseas Aid
Conrad N. Hilton Foundation	Mali	Contribution to the elimination of trachoma as a public problem in Mali
Conrad N. Hilton Foundation	Tanzania	To support expansion of eye health service awareness and utilisation in the Morogoro region of Tanzania
Conrad N. Hilton Foundation	Tanzania	Support the national trachoma elimination programme in Tanzania
The END Fund	Cote d'Ivoire	Control and elimination of onchocerciasis and lymphatic filariasis in Cote d'Ivoire 2017-2018
IZUMI Foundation	Liberia	Elimination of river blindness and lymphatic filariasis in Liberia
GiveWell (Good Ventures Foundation)	Cameroon, Nigeria, Guinea-Bissau, Guinea, Democratic Republic of Congo	Delivering schistosomiasis and soil-transmitted helminths MDA in: DRC (Ituri Nord), Nigeria (Kogi, Kebbi, Kwara and Sokoto states), Guinea-Bissau and Guinea (three districts in Forest region)

Donor name	Countries affected	Formal contract name
GiveWell (Good Ventures Foundation)	Nigeria, Guinea, Democratic Republic of Congo	Delivering schistosomiasis and soil-transmitted helminths MDA: DRC (Ituri Nord), Nigeria (Kogi, Kebbi, Kwara and Sokoto states), and Guinea (three districts in Forest region).
The World Bank	Senegal, Ghana	School Health Integrated Programming
Department for International Development	Bangladesh, Kenya, Nigeria, Tanzania	Disability Inclusive Development programme
Department for International Development	Bangladesh, Kenya, Nigeria, Uganda	Inclusion Works
Department for International Development	Nigeria	Integrated programme approach to control a range of NTDs in Nigeria
Department for International Development	Democratic Republic of Congo, Guinea-Bissau, Nigeria, Uganda	Reducing prevalence of river blindness and elephantiasis and improving the lives of poor people
Department for International Development	Chad, Ethiopia, South Sudan, Tanzania, Zambia	Trachoma SAFE implementation
Department for International Development	Kenya, Uganda, Malawi, Zambia, Mozambique	Improving eye health and reducing avoidable blindness for persons in trachoma endemic areas
Department for International Development	Bangladesh, Pakistan	The Right to Health: breaking down barriers to eye health in South Asia
USAID/Helen Keller International	Cameroon	Support to Control Neglected Tropical Disease Control Program (NTD Envision) in North West, South West and West regions of Cameroon
USAID/RTI International Global	Global	Act to End NTDs
USAID	Mali	Inclusive education for visually impaired primary school children in Mali
USAID/Partners for global research and development	Bangladesh, Pakistan	Giving Vision to Future Visionaries
The Queen Elizabeth Diamond Jubilee Trust	Kenya, Malawi, Mozambique, Nigeria, Uganda	The Queen Elizabeth Diamond Jubilee Trust Trachoma Initiative in Africa
The Bill & Melinda Gates Foundation	Global	<ol style="list-style-type: none"> 1. Hosting the coordinating entity for the Uniting to Combat NTDs coalition 2. Enhancing the advocacy capacity of the Uniting to Combat NTDs support centre
The Bill & Melinda Gates Foundation	Mozambique	Onchocerciasis elimination mapping in Africa

Donor name	Countries affected	Formal contract name
Accelerate Partners:		
Commonwealth Summit Fund	Kenya, Tanzania, Nigeria, Pakistan, Papua New Guinea, Solomon Islands, Tonga, Nauru, Vanuatu, Kiribati	Contributing towards eliminating blinding trachoma in the Commonwealth
The Bill & Melinda Gates Foundation, Virgin Unite, Children's Investment Fund Foundation, ELMA Foundation, anonymous donor	Benin, Botswana, Burkina Faso, Cameroon, Cote d'Ivoire, Ethiopia, Guinea, Guinea-Bissau, Kenya, Namibia, Senegal, Tanzania, Uganda, Zambia, Zimbabwe	Eliminate blinding trachoma in 10 African countries and make significant progress towards elimination in three other African countries via an integrated neglected tropical disease programme and conduct targeted research on reducing child mortality through trachoma and onchocerciasis programmes
European Commission	Uganda	The economic empowerment of youth with disabilities in Uganda
European Commission	Sierra Leone	Education for all in Bombali District, Sierra Leone
European Commission	India	No one left behind: promoting an inclusive society in Rajasthan

23 Analysis of net assets between funds

	Tangible fixed assets £'000	Investments £'000	Cash £'000	Other net assets £'000	Pension liability £'000	Net assets £'000
2018 Unrestricted funds:						
General	-	5,925	4,054	2,149	(120)	12,008
Designated	9	-	4,514	-	-	4,523
Restricted funds	-	-	13,927	(8,075)	-	5,852
Endowment funds	-	214	-	-	-	214
	9	6,139	22,495	(5,926)	(120)	22,597
2017 Unrestricted funds:						
General	-	6,269	4,508	(366)	(391)	10,020
Designated	124	-	1,042	-	-	1,166
Restricted funds	-	-	11,833	(6,811)	-	5,022
Endowment funds	-	214	-	-	-	214
	124	6,483	17,383	(7,177)	(391)	16,422

24 Leasing commitments

Finance lease obligations

Sightsavers is committed to making future minimum lease payments under finance leases of £14,000 (2017: £187,000). The obligation to make these payments falls due as follows:

	2018 £'000	2017 £'000
Land and buildings		
Within 1 year	11	129
Within 2-5 years	-	11
Sub total	11	140
Fixtures and fittings		
Within 1 year	3	43
Within 2-5 years	-	4
Sub total	3	47
Total	14	187

Operating lease obligations

Sightsavers is committed to making future minimum lease payments under non-cancellable operating leases of £2,196,000 (2017: £1,788,000). The obligation to make these payments falls due as follows:

	2018 £'000	2017 £'000
Land and buildings		
Within 1 year	633	611
Within 2-5 years	1,378	1,014
After 5 years	-	126
Sub total	2,011	1,751
Other		
Within 1 year	42	25
Within 2-5 years	128	12
After 5 years	15	-
Sub total	185	37
Total	2,196	1,788

25 Forward exchange contracts

Sightsavers entered into four forward exchange contracts during the year to hedge forward currency exposure on future programme expenditure. These contracts, to purchase US dollars (USD) using sterling (GBP), were each for up to six months in duration, at USD/GBP rates between 1.2850 and 1.4200.

At 31 December 2018 a combined purchase value of USD 2,061,800 remained on two contracts at a USD/GBP rate of 1.2882, representing around 19% of forecast USD correlated overseas charitable expenditure for the equivalent period of the remaining contract (before taking account of USD income). At 31 December 2018, the average mark to market USD/GBP exchange rate was 1.2670.

At 31 December 2018 the carrying amount in the balance sheet of these contracts was a gain of £25,999 (2017: loss of £20,000). This movement on the fair value forms part of the free reserves in note 22.



Nine-year-old Mwiza from western Zambia is ready to go to school for the first time, a year and half after his sight-saving treatment for trachoma.

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

www.sightsavers.org

 **SightsaversUK**

 **@Sightsavers**

 **@sightsavers**

 **SightsaversTV**

Bumpers Way
Bumpers Farm
Chippenham
SN14 6NG
UK

+44 (0)1444 446 600

info@sightsavers.org

 **Sightsavers**

Registered charity numbers 207544 and SC038110