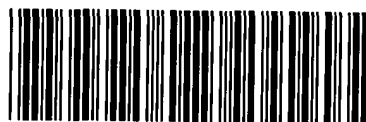


The European Society of Cataract and Refractive Surgeons
(A company limited by guarantee, not having a share capital)
Annual Report and Audited Consolidated Financial Statements
for the financial year ended 31 December 2020

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Company Number: 3153785
Charity Number: 1066532

The European Society of Cataract and Refractive Surgeons
(A company limited by guarantee, not having a share capital)

CONTENTS

	Page
Reference and Administrative Information	3 - 4
Directors' Annual Report	5 - 10
Directors' Responsibilities Statement	11
Independent Auditor's Report	12 - 14
Consolidated Statement of Financial Activities	15
Consolidated Balance Sheet	16
Consolidated Statement of Cash Flows	17
Notes to the Consolidated Financial Statements	18 - 28

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

REFERENCE AND ADMINISTRATIVE INFORMATION

Directors	Paul Rosen (Chairman) John Bateson Roberto Bellucci Jose Guell Till Staffeldt Emanuel Rosen (Resigned 1 September 2020)
Company Secretary	Oliver Findl
Charity Number in England and Wales	1066532
Company Number	3153785
Registered Office	5 Fleet Place London EC4M 7RD United Kingdom
Office Address	Suite 7 – 9 The Hop Exchange 24 Southwark Street London SE1 1TY United Kingdom
Auditors	Hall Lifford Hall Chartered Certified Accountants and Statutory Auditors Greyfriar Lodge 5 Greyfriars Waterford Ireland
Bankers	Bank of Ireland 28 Main Street Blackrock Co Dublin Ireland Allied Irish Bank Bankcentre Branch PO Box 1121 Dublin 4 Ireland
Investment Bankers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ United Kingdom

The European Society of Cataract and Refractive Surgeons

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REFERENCE AND ADMINISTRATIVE INFORMATION

Ruffer LLP
80 Victoria Street
London
SW1E 5JL
United Kingdom

Solicitors

Fox Williams LLP
10 Finsbury Square
London
EC2A 1AF
United Kingdom

BDB Pitmans LLP
One Bartholomew Close
London
EC1A 7BL
United Kingdom

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2020

The directors present their report and the audited consolidated financial statements of the group for the year ended 31 December 2020. The directors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities (FRS 102)" in preparing the annual report and consolidated financial statements of the group.

Objectives and activities of the society

The European Society of Cataract and Refractive Surgeons (ESCRS) was incorporated on 1 February 1996 under the Companies Act 1985 as a Company Limited by Guarantee and not having a Share Capital.

The charitable company is registered with the Charity Commission in the UK – Number 1066532.

The objects for which the charitable company is established are (i) to promote education and research in the field of implant and refractive surgery and promote the study and practice of ophthalmology and research relating thereto and the dissemination of the useful results thereof and (ii) to promote experimental work in the field of intraocular lens implantation and refractive surgery and the dissemination of the useful results thereof.

ESCRS has one wholly owned subsidiary, ESCRS Trading Limited, whose principal activities include arranging and hosting the annual meetings of ESCRS and publishing the society's magazine – EuroTimes. ESCRS Trading Limited is limited by shares and all its profits are transferred to the charity under the UK Gift Aid rules.

Details of the external advisors engaged by the charity are listed on the Reference and Administrative Information pages.

Public benefit

The directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the society's aims and objectives and in planning its future activities. In particular, the directors consider how planned activities will contribute to the aims and objectives that have been set.

The purpose of ESCRS is to ensure the best possible outcomes and quality of life for cataract and refractive surgery patients. Through ESCRS's aims of improving education and standards in ophthalmology across Europe, patients with cataract and refractive conditions and the wider public are our main beneficiaries. The funding of original research and registries for benchmarking surgical outcomes contributes to the development of the field of ophthalmology, the education of its practitioners, and ultimately to better patient care.

Structure, governance and management

The governing documents of the charitable company are its Articles of Association, supported by Bye-Laws.

The directors have overall responsibility for the proper management of the charitable company's business and ensuring that the governing documents are in line with the latest Charity Commission guidance.

The general management of the charitable company is vested in a Council of Management ('Council') which has been established to assist the directors by organising the day to day operations of the society. The Council consists of the directors of the charitable company, the President of the society, the Treasurer, the Secretary, the Immediate Past President, the President Elect when applicable, the European Editor of the Journal of Cataract and Refractive Surgery ('JCRS'), 10 ordinary members and Co-Opted members from time to time.

The 10 ordinary members of Council are elected by the members of the society for a period of four years and may be re-elected for a further period of four years only. No more than one ordinary member of the Council may be from the same country.

The Council of Management elects an Executive Committee consisting of the President, the Secretary and the Treasurer, to ensure the decisions of the Council are implemented.

To be elected President, a candidate must be a full member of the society, but not necessarily a member of the Council. He or she is appointed by the Council for a period of two years, which term shall not be renewable. A two-thirds majority is required for appointment as President.

The Secretary is the executive officer of the society and monitors implementation of the decisions of the Council. The Secretary is elected every two years from amongst the members of the Council and can remain in office for a maximum of eight years.

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2020

Structure, governance and management (continued)

The Treasurer is the finance officer of the society and monitors implementation of the financial decisions of the Council. The Treasurer is elected every two years from amongst the members of the Council and can remain in office for a maximum of eight years.

The European Editor of the Journal of Cataract and Refractive Surgery is proposed by the Executive, in consultation with the existing editor, and approved by the Council. The initial term of office is eight years, with the possibility of extending the term for a further eight years with the agreement of the Council.

The society functions through a number of established committees including:

- Finance Committee – chaired by the Treasurer;
- General Purposes Committee – chaired by the Secretary;
- Publications Committee – chaired by the European Editor of the JCRS;
- Programme Committee – chaired by the President;
- Education Committee – chaired by the immediate past-President;
- Research Committee – chaired by an elected Council member nominated by the Executive.

The composition of each committee is governed by the Bye-Laws.

The society also retains the services of an external professional association management and conference organisation company which provides it with a full range of bespoke services including board, financial management, membership, congress, event, publishing, online and education services. During the year, the society took the decision, following an extensive tender process, to change the provider of these services with effect from mid-2021. MCI UK Ltd was appointed to take over as provider from Agenda Communications and Conference Services Ltd.

Directors of the charitable company

The directors, who are the trustees of the charity, are appointed by a resolution of the trustees. The number of directors shall not be less than three but shall not be more than six.

Those who served as directors during the financial year and up to the date of this report are listed below:

Paul Rosen (Chairman)
John Bateson
Roberto Bellucci
Jose Guell
Till Staffeldt
Emanuel Rosen (Resigned 1 September 2020)

The directors are appointed by a resolution of the trustees and work with, and in support of, the Council of Management, which is elected by the membership. The directors do not retire by rotation. In general, a director must retire when he or she has served for a maximum term of 8 years, or reaches 75 years of age.

The secretary who served during the financial year was Oliver Findl.

Strategic Report

Principal risks and uncertainties

Annual congress

The main source of income to the society is its annual congress. A key risk therefore to the society is a failed or significantly diminished annual congress and the resultant loss of income that would arise. This includes the risk to an annual congress from an act of terrorism or, as transpired in 2020, from a pandemic. There is also the risk that changes in conditions occur, over time, which reduce the attractiveness and relevance of a large annual meeting developed around a scientific programme. The directors mitigate these risks by taking out insurance for each conference where possible against insurable risks, and maintaining sufficient reserves at all times to ensure the society could continue its operations uninterrupted for a period of at least 12 months while corrective action is taken and alternative revenue sources could be developed.

The impact of the COVID-19 pandemic on the society in 2020 is discussed further below under 'Achievements and Performance' and under 'Going Concern and Future Business Success'.

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2020

Achievements and performance

The year was dominated by the COVID-19 pandemic and its profound impact across the world on countries, health systems, doctors, patients and the ability to host large scale face to face meetings and annual conferences.

The key activities of the society during 2020, including the effects on its operations and how it responded to the challenges of the pandemic, were as follows.

(a) Membership

Membership of the ESCRS is open to ophthalmologists and to ophthalmologists-in-training. At the end of 2020 there were 7,772 (2019: 8,311) members in total, 3,760 (2019: 3,937) of whom were trainee ophthalmologists. Over 20 European national societies offer group membership of ESCRS and the Society values the close collaboration with these organisations.

The decline in membership during the year is due in part to the COVID-19 pandemic. In particular the absence of a face-to-face meeting in the year took away an important milestone around which many renew their membership for the year ahead.

Membership is free for trainee ophthalmologists for up to five years. As a member they can access ESCRS iLearn and ESCRS On Demand, two key education resources, and the peer-reviewed scientific journal of the society, the Journal of Cataract & Refractive Surgery. They also pay a nominal registration fee to attend the ESCRS annual meetings. Trainee members are eligible to apply for a number of grants and bursaries.

The aim of providing free membership for trainees is to invest in the future of this sub specialty of ophthalmology by ensuring that the education resources and the annual meetings are available to as many ophthalmologists as possible.

(b) Meetings

ESCRS Meetings

The annual meetings are the highlight of the ESCRS calendar.

The 24th ESCRS Winter Meeting took place as planned in Marrakech in February 2020 and was attended by 1,974 delegates. The society was fortunate to be able to host this meeting safely before COVID-19 was declared as a global pandemic by the WHO.

The 38th Annual Congress of ESCRS in October 2020 took place as a virtual event online and was well supported with an attendance of 4,139 delegates. However, the income generated by the virtual meeting was greatly reduced in comparison with the usual face-to face congresses.

ESCRS Participation in Other Meetings

Each year the ESCRS supports and participates in a number of national society meetings by funding expert ophthalmologists from the society to attend these meetings and thereby bringing international expertise and teaching to ophthalmologists who might not be in a position to travel to attend the ESCRS meetings.

ESCRS also collaborates with the other regional cataract and refractive societies around the world through participation in joint symposia and other sessions.

In 2020 this activity was significantly curtailed due to travel restrictions and the wholesale cancellation of events and meetings globally.

(c) Publications

The EuroTimes magazine, which includes the latest news and developments in the world of ophthalmology, is published by the society and circulated free of charge to over 45,000 ophthalmologists worldwide. 10 issues were published in 2020.

In a rapid and practical response to the pandemic, in March 2020 the society launched the ESCRS COVID-19 Interactive Platform. During a period of intense pressure and change, this provided practitioners with immediate, relevant and practical advice, support and resources to assist them on the frontline in delivering ophthalmology services during the crisis. Income from advertising in EuroTimes reduced significantly, as advertisers cut their budgets in response to the pandemic.

The Journal of Cataract & Refractive Surgery, which is published jointly with ASCRS, is circulated to members of the ESCRS and contains peer-reviewed articles on the latest research in the field. 12 issues were published in 2020.

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2020

(d) Online Educational Resources

ESCRS iLearn is an e-learning platform offering nearly 60 hours of highly interactive and assessed content, divided into 3 portals: Cataract Surgery, Refractive Surgery and Cornea. Upon successful completion of a module (comprising e-learning activity, recommended readings and links to other ESCRS media) a learner can claim CME credits.

ESCRS Tutorial Groups are a series of online activities (run from ESCRS iLearn) that young ophthalmologists and trainees can take in the run up to the annual meetings. The participants have a mentor, who is a well-known surgeon across Europe. Participants can ask questions of the mentor, based on the activities they take. Normally, the group then attend wet labs (practise surgery sessions) together at the conference.

ESCRS On Demand is an online library of presentations and videos from ESCRS meetings since 2007. The library expands further each year to include the presentations from the most recent ESCRS Winter Meeting and Annual Congress.

Both of the above resources are available to members of the society.

The ESCRS Education Portal provides a wide range of content, which is free for all ophthalmologists to access. It provides a central location where ophthalmologists can find links to a range of online information, podcasts and video content aimed at providing expert-led educational resources for as wide a population of ophthalmologists as possible.

Landmark articles published in a number of peer-reviewed scientific ophthalmology journals are made available on the Education Portal and can be accessed free of charge. The articles listed are selected by the Publications Committee and made available by the publishers without charge.

The Journal of Cataract & Refractive Surgery publishes an Online Case Reports section, which provides an excellent opportunity to see how scientific and medical knowledge is 'put into practice'. A selection of these case reports are made available to all ophthalmologists on the Education Portal.

The ESCRS Player offers a wide range of video content: 'Eye Contact' video interviews with experts on a range of key topics; the 'Video of the Month' series which is comprised of surgical videos prefaced by an introduction from an expert, explaining the key features of the video and their importance; a Video Journal of Cataract and Refractive Surgery; Young Ophthalmologist videos; expert videos of surgical techniques; and an archive of historical videos. All of these are open access for all ophthalmologists. There have been over 400,000 page views in total on the ESCRS Player since it began, with over 540 videos now available.

(e) Clinical and Scientific Research

ESCRS continues to support a number of ongoing research projects, although the amount of research activity in the year was severely curtailed by the COVID-19 pandemic: the METAgenomics guided treatment of CORneal infections – an interventional blinded randomized clinical trial; the CaMPoL Study (Cataract, age-related Macular degeneration and Polarization perception); the vRESPOND Study (Virtual Refractive Surgery for the Prevention Of Negative Dysphotopsia); the MYOPRED Study (Influence of posterior vitreous detachment on retinal detachment after lens surgery in myopic eyes); the NECSUS Study (NEuroadaptation after Cataract and refractive SURgery Study); the MERoV Study (Monofocal Extended Range of Vision); the EPICAT Study (Effectiveness of Periocular drug injection in CATaract surgery); the PCME-SNP study (PCME associated to genetic alterations of single nucleotide polymorphisms (SNP)); and the PERIVISION study of whether IOLs are failing in the peripheral retina.

(f) Surgical outcomes registries

The European Registry of Quality Outcomes for Cataract and Refractive Surgery (EUREQUO) includes data from more than 3 million cataract surgeries and 130,000 refractive surgeries. Uploading data to the registry provides a unique opportunity for surgeons to monitor and compare their surgical results. This self-auditing encourages surgeons to adjust and improve their technique, improving their results and providing a better patient outcome. EUREQUO is linked to a Patient-Reported Outcomes Questionnaire, which allows the surgeon to compare patient-reported data with clinical data. Use of the registry is available to ESCRS members free of charge.

Corneal disease is the second largest cause of blindness worldwide and an estimated 30,000 cornea transplantations are performed annually in Europe. Work on establishing the European Cornea and Cell Transplantation Registry (ECCTR) successfully completed in 2019 under a project that was funded by both ESCRS and the EU.

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2020

This established a web-based registry and network for academics, health professionals and authorities to assess and verify the safety, quality and efficacy of corneal transplantation. There were eight partner organisations involved in the initial set-up of the ECCTR, with ESCRS responsible for coordinating and managing the three-year project. ESCRS continued to manage and fund the development of the ECCTR database in 2020.

(g) Grants and bursaries

Ordinarily, up to 60 bursaries are available annually for trainee doctors to attend the two ESCRS conferences. A number of observership grants are also available, for trainee doctors to spend a period observing clinical practice at a European centre of expertise. The Peter Barry Fellowship is awarded annually and offers a grant of €60,000 for a trainee to spend a year abroad gaining clinical or research experience at a centre of excellence anywhere in the world.

During 2020, as a result of the impact of the COVID-19 pandemic (in hospitals and due to the imposition of travel restrictions), this activity had to be significantly curtailed. A total of 18 bursaries were awarded to trainee doctors to enable them to attend the Winter Meeting in Marrakech and none were awarded in respect of the annual meeting, as it took place in virtual form.

(h) Direct donations

ESCRS makes annual direct donations to selected charities. In 2020 a donation of €27,000 was made to the charity 'Eyes of the World' for a project to fight COVID-19 in Mali. €10,000 was spent on ICO Membership and €1,500 was donated to Orbis for a doctor to attend the Winter Meeting in Marrakech.

There remains an aspiration to increase charitable donations and partnerships with charitable eye care providers in the developing world but this could not be advanced in 2020 owing to the overall drop in income.

Future Developments

Notwithstanding the near-term impact of the COVID-19 pandemic, the directors do not envisage any substantial changes to the nature of the charity's activities and, through its work, are confident in the charity's ability to continue to make meaningful impacts on the lives of patients across the world.

During 2021, the transition to the new provider of association management and conference organisation services, MCI UK Ltd, will take place. The transition will be carefully managed in cooperation with the outgoing and incoming service providers, to ensure that the operations of the charity continue to run as normal.

Financial review

The group made an overall loss of €3,569,042 in 2020 compared to a surplus of €3,584,449 in 2019. The main reason for the loss in 2020 and the decline year on year in profitability was the effect of the COVID-19 pandemic, in particular:

- The substantial decrease in income as a result of not being able to host the 38th Annual Congress as a face-to-face event in Amsterdam as planned (including a full industry exhibition). While the meeting went ahead in virtual form and was profitable, it could not replicate the financial outcome of the physical meeting.
- The reduction in advertising in EuroTimes as advertisers' budgets were cut in response to the pandemic.

These effects were offset to a degree by reductions in certain costs, also as a result of the pandemic, in particular a slow-down in the research activity which had been budgeted for 2020, and reductions in travel costs across the board.

The resources available to the group and those expended during the year are set out in the Statement of Financial Activities.

Notwithstanding the outcome for 2020 and the continuing effects of the pandemic into 2021, the ESCRS group has adequate reserves and remains in a healthy financial position. This will ensure the continued funding of educational initiatives and of high-quality research projects.

Reserves Policy

The reserves policy takes into consideration the major risks that could affect ESCRS in the future and principally the threat posed to the income of the society through a failed (or diminished) annual congress whether due to a pandemic, competitive factors, an act of God, acts of terror, or the potential withdrawal over time of funding from corporate supporters due to legislative and regulatory changes.

The reserves policy is designed to allow ESCRS to continue running its activities uninterrupted for at least a 12-month period, regardless of the level of income received, during which projects would be re-evaluated depending on the circumstances and the need to, and success in, generating new revenue streams. Allowing a 12-month period helps to minimise the risk of compromising the core objectives and activities of ESCRS.

The European Society of Cataract and Refractive Surgeons

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DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2020

On this basis, the directors consider that the required level of readily usable reserves should be €13.2m. This compares to a total unrestricted general reserve as shown in the audited accounts of €19.6m. There was therefore a surplus above the reserve requirement of €6.4m at 31 December 2020, notwithstanding the effects on the financial outcome for the year of the COVID-19 pandemic.

The directors are aware of the surplus and actively keep it under consideration, conscious however that there may be longer term effects of the COVID-19 pandemic against which the society needs to insulate itself.

The reserves policy will be monitored closely in the year ahead as the effects of the ongoing pandemic become clearer. In the meantime, surplus funds are being held either as cash balances or invested in a yield portfolio with the investment managers.

Investments

The Investment Policy of the society was reviewed and an updated Investment Policy Statement adopted in 2017.

The Investment Policy Statement sets out the investment aims and objectives of the society and closely reflects the reserves policy of the society. The investments are divided into two portfolios. Portfolio A provides the reserve fund for ESCRS in the event of a failed annual congress, the main source of income to the society. It is to be managed on a conservative low risk basis with the principal objective of maintaining the real capital value of the funds and to generate a minimum total return in excess of inflation plus 2.5% over rolling three year periods. Portfolio B is to be managed on a low to medium risk basis and provide income which is to be factored into the short term spending plans of the society.

The overall return on the society's investments in 2020, net of fees, was satisfactory at 6.2%. The directors review and benchmark the investment performance of the fund managers on an ongoing basis.

Going concern and future business success

These financial statements have been prepared during the COVID-19 pandemic which, in 2021 will continue to have a significant effect on the main revenue generating activity of the society – the holding of annual meetings. The directors have reviewed carefully the activities of the group in light of the ongoing pandemic, including the resources and supports that are available to it.

ESCRS successfully hosted the 25th ESCRS Winter Meeting as a virtual event in February 2021. The 39th Annual Congress is scheduled to take place as a hybrid (live and virtual) event in October 2021.

COVID-19 has necessitated modifying the society's business model and its expenditure plans to allow it to continue to operate in this new environment. This remains a key focus in 2021. It is expected that a combination of careful cost management and the re-positioning of the winter and annual meetings into virtual and hybrid formats will allow ESCRS to continue all its core charitable activities going forward. The society also has adequate reserves to help cushion any longer term impact of the pandemic on the society's activities. These will be used as necessary to maintain continuity of operations, in conjunction with measures to limit overall losses and the resulting impact on reserves.

On this basis the directors are confident that the group will continue in operational existence and that the financial statements should continue to be drawn up on a going concern basis.

Indemnity insurance

The group purchased and maintained, throughout the financial year, Directors' and Officers' Liability Insurance in respect of the directors.

Auditors

The auditors, Hall Lifford Hall, (Chartered Certified Accountants and Statutory Auditors) have indicated their willingness to continue in office in accordance with the provisions of Section 485 of the Companies Act 2006.

The Directors' Annual Report, was approved by the Board of Directors on 27/9/2021 and signed on its behalf by:


Paul Rosen
Director

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2020

The directors (who are also trustees of The European Society of Cataract and Refractive Surgeons for the purposes of company law) are responsible for preparing the Directors' Annual Report and the consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare consolidated financial statements for each financial year, which give a true and fair view of the state of affairs of the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the group and to enable them to ensure that the consolidated financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the group's auditor in connection with preparing the auditor's report) of which the group's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

In approving the Directors' Annual Report, the Directors are also approving the Strategic Report which has been incorporated therein.

Approved by the Board of Directors on 27/9/2021 and signed on its behalf by:



Paul Rosen
Director

INDEPENDENT AUDITOR'S REPORT

to the Members of The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

Report on the audit of the financial statements

Opinion

We have audited the group financial statements of The European Society of Cataract and Refractive Surgeons ('the group') for the financial year ended 31 December 2020 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the group and parent charitable company Balance Sheet, the group Statement of Cash Flows and related notes to the consolidated financial statements, including the summary of significant accounting policies set out in the notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

This report is made solely to the group's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's members 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 group and the group's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, when reporting in accordance with a fair presentation framework the consolidated financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the financial 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.

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 consolidated financial statements section of our report. We are independent of the group in accordance with 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

In auditing the consolidated financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the consolidated financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from the date when the consolidated financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the consolidated financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the consolidated 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the consolidated financial statements themselves. 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.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Annual Report for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements; and
- the Strategic Report and the Directors' Annual Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT

to the Members of The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the consolidated financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the group'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 management either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud and test accordingly;
- Assessing whether the accounting policies, treatments and presentation adopted in the consolidated financial statements is in accordance with applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, and whether there are instances of potential bias in areas with significant degrees of judgement;
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias, and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business;
- Carrying out tests of management control in certain areas and functions, such as the authorisation of business expenditure and approval of revenue transactions;
- Carrying out detailed testing, on a sample basis, of material transactions, financial statement categories and balances to appropriate documentary evidence to verify the completeness, occurrence and accuracy of the reported consolidated financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the consolidated financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the consolidated financial statements, the less likely we are to become aware of it.

INDEPENDENT AUDITOR'S REPORT

to the Members of The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

Further information regarding the scope of our responsibilities as auditor

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ronan Hall (Senior Statutory Auditor)

for and on behalf of

HALL LIFFORD HALL

Chartered Certified Accountants and Statutory Auditors

Greyfriar Lodge

5 Greyfriars

Waterford

Ireland

Date:

28/9/2021

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account)

for the financial year ended 31 December 2020

	Notes	Unrestricted Funds 2020 €	Restricted Funds 2020 €	Total 2020 €	Unrestricted Funds 2019 €	Restricted Funds 2019 €	Total 2019 €
Income							
Charitable activities	8.1	4,688,806	-	4,688,806	17,345,446	190,937	17,536,383
Other income	8.2	102,000	-	102,000	102,000	-	102,000
Total incoming resources		4,790,806	-	4,790,806	17,447,446	190,937	17,638,383
Expenditure							
Raising funds	9.1	127,355	-	127,355	115,535	-	115,535
Charitable activities	9.2	9,379,540	-	9,379,540	15,444,906	365,161	15,810,067
Total Expenditure		9,506,895	-	9,506,895	15,560,441	365,161	15,925,602
Net gains on investments		1,147,047	-	1,147,047	1,871,668	-	1,871,668
Net (expenditure)/income		(3,569,042)	-	(3,569,042)	3,758,673	(174,224)	3,584,449
Transfers between funds		-	-	-	(128,255)	128,255	-
Net movement in funds for the year		(3,569,042)	-	(3,569,042)	3,630,418	(45,969)	3,584,449
Reconciliation of funds							
Balances brought forward at 1 January 2020	18.2	24,952,926	1,572	24,954,498	21,322,508	47,541	21,370,049
Balances carried forward at 31 December 2020		21,383,884	1,572	21,385,456	24,952,926	1,572	24,954,498

The Statement of Financial Activities includes all gains and losses recognised in the financial year.
All income and expenditure relate to continuing activities.

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

Company Number: 3153785

CONSOLIDATED BALANCE SHEET

as at 31 December 2020

	Notes	2020 Group €	2020 Charity €	2019 Group €	Restated 2019 Charity €
Fixed Assets					
Tangible assets	12	59,723	59,723	87,981	87,981
Investments	13	17,449,631	17,449,632	16,431,633	16,431,634
		<u>17,509,354</u>	<u>17,509,355</u>	<u>16,519,614</u>	<u>16,519,615</u>
Current Assets					
Debtors	14	1,210,065	2,519,555	2,490,350	320,507
Cash at bank and in hand		4,873,747	3,725,404	8,048,728	6,011,360
		<u>6,083,812</u>	<u>6,244,959</u>	<u>10,539,078</u>	<u>6,331,867</u>
Creditors: Amounts falling due within one year	15	(2,142,365)	(873,866)	(2,024,688)	(2,843,115)
Net Current Assets		<u>3,941,447</u>	<u>5,371,093</u>	<u>8,514,390</u>	<u>3,488,752</u>
Total Assets less Current Liabilities		21,450,801	22,880,448	25,034,004	20,008,367
Deferred income	16	(65,345)	(65,345)	(79,506)	(79,506)
Net Assets		<u>21,385,456</u>	<u>22,815,103</u>	<u>24,954,498</u>	<u>19,928,861</u>
Funds					
Restricted trust funds		1,572	1,572	1,572	1,572
Unrestricted funds		21,383,884	22,813,531	24,952,926	19,927,289
Total funds	18.1	<u>21,385,456</u>	<u>22,815,103</u>	<u>24,954,498</u>	<u>19,928,861</u>

The European Society of Cataract and Refractive Surgeons surplus for the year was €2,886,242.

These consolidated financial statements have been prepared in accordance with the special provisions relating to medium-sized companies in section 445(3) of the Companies Act 2006.

Approved by the Board of Directors and authorised for issue on 27/9/2021 and signed on its behalf by

Paul Rosen
Director

The European Society of Cataract and Refractive Surgeons

CONSOLIDATED STATEMENT OF CASH FLOWS

for the financial year ended 31 December 2020

	Notes	2020 €	2019 €
Cash flows from operating activities			
Net movement in funds		(3,569,042)	3,584,449
Adjustments for:			
Gains on investments after fees		(1,019,692)	(1,756,133)
Depreciation		35,772	38,206
		(4,552,962)	1,866,522
Movements in working capital:			
Movement in debtors		1,280,284	(64,534)
Movement in creditors		103,516	(664,504)
Cash generated from operations		(3,169,162)	1,137,484
Cash flows from investing activities			
Payments to acquire tangible assets		(7,513)	(9,132)
Payments to acquire investments		-	(2,250,000)
Receipts from sales of investments		1,694	-
Net cash generated from investment activities		(5,819)	(2,259,132)
Net decrease in cash and cash equivalents		(3,174,981)	(1,121,648)
Cash and cash equivalents at 1 January 2020		8,048,323	9,169,971
Cash and cash equivalents at 31 December 2020		4,873,342	8,048,323
Cash and cash equivalents consist of:			
Cash at bank and in hand		4,873,747	8,048,728
Bank overdrafts	15	(405)	(405)
Cash and cash equivalents at 31 December 2020		4,873,342	8,048,323

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the financial year ended 31 December 2020

1. GENERAL INFORMATION

The European Society of Cataract and Refractive Surgeons is a company limited by guarantee incorporated in the United Kingdom. The registered office of the company is 5 Fleet Place, London, EC4M 7RD, United Kingdom which is also the principal place of business of the company. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements.

Statement of compliance

The consolidated financial statements of the group for the year ended 31 December 2020 have been prepared on the going concern basis and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)" and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice for Charities 2015 (SORP 2015), the Charities Act 2011, applicable accounting standards (FRS 102) and the Companies Act 2006.

Basis of consolidation

The group financial statements consolidate the financial statements of The European Society of Cataract and Refractive Surgeons and ESCRS Trading Limited, its wholly owned subsidiary.

No separate Statement of Financial Activities has been presented for the charity alone as permitted by the Companies Act 2006. The charity, being the parent charity, has taken advantage of section 408 of the Companies Act 2006 and has not included its own Statement of Financial Activities in these financial statements. The charity's net movement in funds for the year was a surplus of €2,886,242 (2019: €3,682,349).

Fund accounting

The following are the categories of funds maintained:

Restricted funds

Restricted funds represent income received which can only be used for particular purposes, as specified by the donors. Such purposes are within the overall objectives of the charity.

Unrestricted funds

Unrestricted funds consist of General and Designated funds.

- General funds represent amounts which are expendable at the discretion of the board, in furtherance of the objectives of the charity.

- Designated funds comprise unrestricted funds that the board has, at its discretion, set aside for particular purposes. These designations have an administrative purpose only, and do not legally restrict the board's discretion to apply the fund. The research fund relates to existing and future research projects. The charity fund relates to donations to charities.

Income

Income comprises membership income, congress income, publishing and other income. Income is included in the Statement of Financial Activities when the group is legally entitled to it, its financial value can be quantified with reasonable certainty and there is reasonable certainty of its ultimate receipt. Income received in advance for membership is accounted for as deferred income until earned. All other income is accounted for on an accruals basis.

Deferred income and expenditure

Income received and expenditure incurred by the charity for future events are treated as deferred income and expenditure.

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

2. ACCOUNTING POLICIES (CONT'D)

Expenditure

Expenditure is analysed between costs of charitable activities and raising funds. The costs of each activity are separately accumulated and disclosed, and analysed according to their major components. Expenditure is recognised when a legal or constructive obligation exists as a result of a past event, a transfer of economic benefits is required in settlement and the amount of the obligation can be reliably measured. Support costs are those functions that assist the work of the charity but cannot be attributed to one activity. Such costs are allocated to activities in proportion to staff time spent or other suitable measure for each activity.

Expenditure on raising funds

The cost of raising funds comprises management fees relating to the charity's investment portfolios. Costs of raising funds are recognised on an accruals basis.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Purchase lease	- 21 years
Leasehold improvements	- 15 years
Fixtures and fittings	- 5 years
Computer equipment	- 5 years

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Investments

Investments are initially recognised at transaction value and subsequently measured at their fair value at the balance sheet date using their closing market values. Gains and losses arising on revaluation are included in the Statement of Financial Activities.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Cash at bank and in hand

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Balance Sheet bank overdrafts are shown within Creditors.

Leasing

Rentals payable under operating leases are dealt with in the income and expenditure account as incurred over the period of the rental agreement.

Employee benefits

Employee salary and related costs are charged to the consolidated statement of financial activities as they are incurred.

Taxation

The charity is a registered charity and is exempt from corporate tax on its income and gains to the extent that they are applied to its charitable purposes.

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

2. ACCOUNTING POLICIES (CONT'D)

Foreign currencies

The consolidated financial statements are prepared in Euro (€) which is the functional currency of the charity. Foreign currency transactions are recorded in Euro at the rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the balance sheet date. The resulting gains and losses are dealt with in the Statement of Financial Activities.

Financial assets

Basic financial assets, including trade and other receivables, and cash are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction, the resulting financial asset is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Such assets are subsequently carried at amortised cost, using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. The impairment loss is recognised in the Statement of Financial Activities. Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled; or subsequently all the risks and rewards of the ownership of the asset are transferred to another party; or control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions on the transfer.

Financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price, unless the arrangement constitutes a financing transaction where the resulting financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Such liabilities are subsequently carried at amortised cost, using the effective interest method. Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires. Financial assets and liabilities are only offset in the balance sheet where there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Prior period adjustment – Gift aid

The subsidiary carried out a prior period adjustment in their 2020 financial statements. It previously recognised gift aid payments to its Parent in the Income Statement in the year that the profits arose. The subsidiary has changed its accounting policy as a result of The Financial Reporting Council clarifying the accounting treatment for such payments in its triennial review of FRS 102. Therefore the prior year comparative figures have been restated to reflect this change. This prior year adjustment has resulted in a reduction in the Charity's 2019 debtors of €5,025,637 and the reserves by the same amount. The change has no effect on the reserves or financial statements of the group.

3. NET INCOME	2020	2019
	€	€
Net income is stated after charging/(crediting):		
Depreciation of tangible assets	35,772	38,206
Operating lease rentals		
- Land and buildings	205,500	205,500
Auditor's remuneration:		
- audit services	21,500	21,300

4. STATUS

The charity is a company limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the charitable company on winding up such amounts as may be required not exceeding €1.27.

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

5. EMPLOYEE INFORMATION

Employee costs during the year were:

	2020	2019
	€	€
Wages and Salaries	173,225	122,800
Employer Social Security Costs	10,751	16,260
	<u>183,976</u>	<u>139,060</u>

There was one person employed during the year in the following category:

	2020	2019
Administration and Management	<u>1</u>	<u>1</u>

The emolument of the employee fell into the following band:

	2020	2019
More than GBP£140,000 but not more than GBP£150,000 p.a.	<u>1</u>	<u>1</u>

5.1 DIRECTORS AND EXECUTIVE OFFICERS

During the year, the group contracted out its operational and administrative functions to a third party, Agenda Communications and Conference Services Limited.

The table in note 5 sets out the pay band and remuneration of one employee, an Executive Officer whose remuneration totalled more than GBP£60,000 in the year. This Executive Officer is employed under a contract of employment and does not receive a pension.

ESCRS makes every attempt to minimise the cost associated with Board Meetings including, where feasible, holding them at congresses where the Board members are already present. In 2020 the directors' expenses wholly attributable to Board meetings was €6,500 (2019: €7,602).

ESCRS receives invitations to attend and speak at ophthalmology conferences across the world, and these meetings are an important part of promoting the interests of ESCRS globally. The costs of these trips, which can involve long haul flights and accommodation, are met by ESCRS. The total expenses reimbursed to directors or paid on their behalf to third parties amounted to €1,033 in 2020 in respect of 1 director (2019: €26,314 in respect of 4 directors).

No amounts were paid to directors in respect of any other services provided to ESCRS during the year.

6. JOURNAL OF CATARACT AND REFRACTIVE SURGERY

The European Society of Cataract and Refractive Surgeons (ESCRS) and the American Society of Cataract and Refractive Surgery (ASCRS) jointly publish the Journal of Cataract and Refractive Surgery (the journal). Net editorial costs are borne equally between ESCRS and ASCRS. The journal is printed and distributed by Wolters Kluwer and both societies purchase copies of the journal for distribution to their members.

7. EXCHANGE RATES

The exchange rates used in preparing these financial statements were as follows.

	2020	2019
	€	€
United Kingdom Pounds (GBP)	0.890	0.878
United States Dollars (USD)	<u>1.142</u>	<u>1.119</u>

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

8. INCOME

8.1 CHARITABLE ACTIVITIES

	Unrestricted Funds €	Restricted Funds €	2020 €	2019 €
Membership	451,254	-	451,254	509,294
ECCTR	-	-	-	190,937
ESCRS/EBO exam	-	-	-	7,140
Congress income	3,206,948	-	3,206,948	14,942,959
Publishing	1,030,604	-	1,030,604	1,836,053
Donation	-	-	-	50,000
	<u>4,688,806</u>	<u>-</u>	<u>4,688,806</u>	<u>17,536,383</u>

8.2 OTHER INCOME

	Unrestricted Funds €	Restricted Funds €	2020 €	2019 €
Other income	102,000	-	102,000	102,000
	<u>102,000</u>	<u>-</u>	<u>102,000</u>	<u>102,000</u>

9. EXPENDITURE

9.1 RAISING FUNDS

	Direct Costs €	Other Costs €	Support Costs €	2020 €	2019 €
Investment management fees	127,355	-	-	127,355	115,535
	<u>127,355</u>	<u>-</u>	<u>-</u>	<u>127,355</u>	<u>115,535</u>

9.2 CHARITABLE ACTIVITIES

	Activity directly undertaken €	Grant funding of activities €	Activity support costs €	2020 €	2019 €
Congress costs	4,001,873	-	253,686	4,255,559	10,308,844
Publications and other	1,400,517	-	84,666	1,485,183	1,518,074
Membership costs	97,712	-	48,232	145,944	226,958
Research costs	1,034,344	-	510,560	1,544,904	1,120,356
Education costs	1,197,915	80,500	631,035	1,909,450	2,209,854
ECCTR project costs	-	-	-	-	365,161
Donations	38,500	-	-	38,500	60,820
	<u>7,770,861</u>	<u>80,500</u>	<u>1,528,179</u>	<u>9,379,540</u>	<u>15,810,067</u>

All of the above expenditure was attributable to unrestricted funds. Included in the expenditure are governance costs of €931,711 which relate directly to charitable activities. See note 10 for further details.

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

10. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Basis of apportionment	Support 2020 €	Support 2019 €
Governance costs		931,711	697,228
Central office costs		295,609	371,100
Finance, IT, consultancy and computer costs		184,880	186,195
Travel, insurance and other costs		80,207	203,749
Depreciation		35,772	38,205
Invoiced events		<u>1,528,179</u>	<u>1,496,477</u>
		Governance 2020 €	Governance 2019 €
Council meetings and secretariat		62,720	126,495
Audit		21,500	21,300
Legal and consultancy		657,738	400,342
Board elections		-	8,084
Company secretarial fees		1,802	1,947
Payroll		187,951	139,060
Invoiced events		<u>931,711</u>	<u>697,228</u>

11. ANALYSIS OF GRANTS

	Grants to Individuals 2020 €	Grants to institutions 2020 €	Support costs 2020 €	Total 2020 €	Total 2019 €
Observership grants	2,000	-	-	2,000	6,000
Bursaries	13,500	-	-	13,500	49,000
Fellowship programme	-	-	-	-	5,000
Peter Barry Fellowship	15,000	-	-	15,000	75,000
Alcon Fellowship	50,000	-	-	50,000	-
	<u>80,500</u>	<u>-</u>	<u>-</u>	<u>80,500</u>	<u>135,000</u>

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

12. TANGIBLE FIXED ASSETS GROUP

	Purchase lease	Leasehold improvements	Fixtures and fittings	Computer equipment	Total
	€	€	€	€	€
Cost					
At 1 January 2020	261,282	52,587	447,956	489,175	1,251,000
Additions	-	-	-	7,513	7,513
At 31 December 2020	261,282	52,587	447,956	496,688	1,258,513
Depreciation					
At 1 January 2020	223,956	30,603	437,302	471,158	1,163,019
Charge for the financial year	12,442	3,505	9,332	10,492	35,771
At 31 December 2020	236,398	34,108	446,634	481,650	1,198,790
Net book value					
At 31 December 2020	24,884	18,479	1,322	15,038	59,723
At 31 December 2019	37,326	21,984	10,654	18,017	87,981

Tangible fixed assets are held by the charity, with none in the Trading Company.

13. INVESTMENTS GROUP

	Listed investments	Total
	€	€
Investments		
Valuation		
At 1 January 2020	16,431,633	16,431,633
Disposals	(1,694)	(1,694)
Gain on investments after fees	1,019,692	1,019,692
At 31 December 2020	17,449,631	17,449,631
Net book value		
At 31 December 2020	17,449,631	17,449,631
At 31 December 2019	16,431,633	16,431,633

CHARITY

	Subsidiary undertakings shares	Listed investments	Total
	€	€	€
Investments			
Valuation			
At 1 January 2020	1	16,431,633	16,431,634
Disposals	-	(1,694)	(1,694)
Gain on investments	-	1,019,692	1,019,692
At 31 December 2020	1	17,449,631	17,449,632
Net book value			
At 31 December 2020	1	17,449,631	17,449,632
At 31 December 2019	1	16,431,633	16,431,634

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

13. INVESTMENTS (CONT'D)

Details of subsidiary undertaking

At 31 December 2020 the charitable company had an interest in the following subsidiary:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
ESCRS Trading Limited	United Kingdom	Ordinary shares	100%	Organising conferences and publishing

The registered office of ESCRS Trading Limited, company number 7521602, is 5 Fleet Place, London, EC4M 7RD, United Kingdom. The trading subsidiary donates its entire profits to the charity under the UK Gift Aid scheme. No donation was made in 2020 as there was a deficit of €1,429,647 (2019 surplus: €5,025,637).

The summary financial performance of the subsidiary is:	2020 €	Restated 2019 €
Turnover	4,237,552	16,779,012
Cost of sales	(5,402,390)	(11,352,535)
Gross (loss)/profit	(1,164,838)	5,426,477
Administrative expenses	(338,351)	(474,382)
Other operating income	73,542	73,542
(Loss)/profit before taxation	(1,429,647)	5,025,637
Tax on profit	-	-
(Loss)/profit for the financial year	(1,429,647)	5,025,637
Current assets	2,226,753	6,033,047
Current liabilities	(3,656,399)	(1,007,409)
Net assets	(1,429,646)	5,025,638
Shareholders' (deficit)/funds	(1,429,646)	5,025,638

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

14. DEBTORS

	2020 Group €	2020 Charity €	2019 Group €	Restated 2019 Charity €
Trade debtors	458,365	64,068	1,054,430	23,303
VAT debtor	86,338	-	234,273	-
Prepayments and accrued income	665,362	67,587	1,201,647	297,204
Amounts owed by group companies	-	2,387,900	-	-
	<u>1,210,065</u>	<u>2,519,555</u>	<u>2,490,350</u>	<u>320,507</u>

15. CREDITORS

	2020 Group €	2020 Charity €	2019 Group €	2019 Charity €
Amounts falling due within one year				
Bank overdrafts	405	405	405	405
Trade creditors	257,020	189,202	390,620	104,924
Accruals and deferred income	1,884,940	684,259	1,633,663	911,950
Amounts owed to group companies	-	-	-	1,825,836
	<u>2,142,365</u>	<u>873,866</u>	<u>2,024,688</u>	<u>2,843,115</u>

16. DEFERRED INCOME

	2020 Group €	2020 Charity €	2019 Group €	2019 Charity €
At 1 January 2020	79,506	79,506	71,220	71,220
(Decrease)/increase in financial year	(14,161)	(14,161)	8,286	8,286
At 31 December 2020	<u>65,345</u>	<u>65,345</u>	<u>79,506</u>	<u>79,506</u>

Deferred income relates to membership, the relevant portion of which has been deferred to future years.

17. FINANCIAL COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

GROUP	Buildings 2020 €	Buildings 2019 €
Due:		
Within one year	205,500	205,500
Between one and five years	548,000	753,500
	<u>753,500</u>	<u>959,000</u>

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

18. FUNDS

18.1 ANALYSIS OF NET ASSETS BY FUND AT 31 DECEMBER 2020

GROUP	Fixed assets - charity use €	Financial fixed assets €	Current assets €	Current liabilities €	Long-term deferred income €	Total €
Restricted funds	-	-	1,572	-	-	1,572
Unrestricted general funds	59,723	17,449,631	6,082,240	(2,142,365)	(65,345)	21,383,884
	<u>59,723</u>	<u>17,449,631</u>	<u>6,083,812</u>	<u>(2,142,365)</u>	<u>(65,345)</u>	<u>21,385,456</u>

18.2 ANALYSIS OF MOVEMENTS ON FUNDS

GROUP	Balance 1 January 2020 €	Income €	Expenditure €	Transfers between funds €	Gains and losses €	Balance 31 December 2020 €
Restricted income						
Endophthalmitis study	1,572	-	-	-	-	1,572
	<u>1,572</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,572</u>
Unrestricted income						
Research Fund	743,312	-	(443,052)	1,200,000	-	1,500,260
Charity Fund	237,215	-	(38,500)	120,000	-	318,715
Unrestricted General	23,972,399	4,790,806	(9,025,343)	(1,320,000)	1,147,047	19,564,909
	<u>24,952,926</u>	<u>4,790,806</u>	<u>(9,506,895)</u>	<u>-</u>	<u>1,147,047</u>	<u>21,383,884</u>
Total funds	<u>24,954,498</u>	<u>4,790,806</u>	<u>(9,506,895)</u>	<u>-</u>	<u>1,147,047</u>	<u>21,385,456</u>

19. FINANCIAL INSTRUMENTS

GROUP

	Note	2020 €	2019 €
Financial assets that are equity instruments measured at fair value			
Investments in listed shares	13	17,449,631	16,431,633
Financial assets that are debt instruments measured at amortised cost			
Trade and other debtors	14	458,365	1,054,430
Cash and short term deposits		4,873,747	8,048,728
Financial liabilities measured at amortised cost			
Trade creditors	15	257,020	390,620
Accruals for goods and services	15	1,884,940	1,633,663
Bank overdraft	15	405	405
Group's income, expense, gains and losses in respect of financial instruments are summarised below:			
On financial assets measured at fair value through SOFA, net	13	<u>1,019,692</u>	<u>1,756,133</u>

The European Society of Cataract and Refractive Surgeons

(A company limited by guarantee, not having a share capital)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

20. RELATED PARTY TRANSACTIONS

The parent had transactions with group companies and the following amounts are due between the companies at the year end:

	2020 €	2019 €
Due from group companies:		
ESCRS Trading Limited	<u>2,387,900</u>	<u>-</u>
Due to group companies:		
ESCRS Trading Limited	<u>-</u>	<u>1,825,836</u>

In the opinion of the directors these amounts arise in the ordinary course of business and the terms of the amounts due are in accordance with the terms ordinarily offered by the charity.

21. POST-BALANCE SHEET EVENTS

ESCRS successfully hosted the 25th ESCRS Winter Meeting as a virtual event in February 2021. The 39th Annual Congress is scheduled to take place as a hybrid (live and virtual) event in October 2021.

COVID-19 has necessitated modifying the society's business model and its expenditure plans to allow it to continue to operate in this new environment. This remains a key focus in 2021.

The transition to the new provider of association management and conference organisation services, MCI UK Ltd, took place in May 2021. The transition was successfully managed in cooperation with the outgoing and incoming service providers, ensuring that the operations of the charity continued to run as normal throughout.