Moorfields Eye Hospital NHS Foundation Trust Annual Report and Accounts 2023/24

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Presented to Parliament pursuant to Schedule 7, paragraph 25(4)(a) of the National Health Service Act 2006.

Contents

1. Welcome from the chair and chief executive

Despite the continued challenges of the post-pandemic recovery, our staff's professionalism, dedication, and commitment remain exemplary. They've worked tirelessly to provide the highest quality eye care and reduce the backlog of patients while meeting national targets, progressing our planned investment in services and maintaining a strong financial position.

The building of Oriel, our world-leading eye care, research and education centre, progresses well. In July 2023, we marked an important construction milestone with a breaking ground event. The site has been transformed over the last year with the completion of demolition and underground works, and the building reaching level 1 of the new centre by the end of March. Storeys are being added at a fast rate. In March 2024 we held a design showcase for staff, governors, patients and the public. With more than 700 people in attendance, we thank everyone for their valuable feedback.

Moorfields Private continues to offer its outstanding patient care, diagnostic and refractive procedures from world-leading consultants and nursing teams in City Road and New Cavendish Street in the heart of London's medical district.

We continue to be at the forefront of ground-breaking research. We are in the second year of a five-year funding arrangement worth £20 million from the National Institute for Health and Care Research (NIHR), as a designated National Biomedical Research Centre (BRC).

We are developing better systems such as ROAM (Research Opportunities at Moorfields) to make our clinical trials available to more patients, particularly those in underserved communities and with diverse populations. Our researchers at Moorfields and UCL represent the largest number from a single site worldwide to be recognised on The Ophthalmologist's Global Power List.

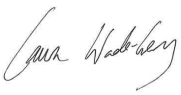
During the year, the Trust developed the business case for a new electronic patient records (EPR) system and moved closer to procuring a partner to work with us on establishing and implementing the new system. This new EPR will benefit both staff and patients.

We are developing innovative sight-saving treatments. Some highlights include the HERCULES project at Brent Cross, developing improved ways of running diagnostic clinics at Moorfields and nationally. This is linked to the improved use of data, including imaging and further development of artificial intelligence programmes to try to speed up and improve patient care, such as our OCTane software. We continue our development and trials of advanced treatments.

We also received official confirmation that we have been successful in being awarded the tender for the North Central London (NCL) single point of access (SPoA) contract. This is a five-year contract to provide a single point of access and contract management of primary care services for optometry led pathways, low vision services and referral management.

We were also pleased and grateful to receive news that His Majesty, King Charles III, has agreed to be the Trust's patron, taking the role over from the late Queen.

We also recognise we cannot do any of this without our dedicated and talented staff. We thank them for their commitment and resilience and acknowledge the valuable contribution they make every day to this hospital. No matter their role, the work of every member of staff counts. We also appreciate the contribution of our governors and board non-executive directors, and thank them for their help in producing this document.



Laura Wade-Gery
Chair

Martin Kuper
Chief executive

2. Performance report

2.1 Overview

Annual performance statement from chief executive
This has been another year of recovery as we continue to return to 'business as usual' after the unprecedented impact on our services during the Covid-19 pandemic.

The continuing provision of safe and effective services for patients underpins everything we do. We strive to maintain high levels of patient feedback to inform the continuous improvement of our services.

Our clinical outcomes and safety record remain excellent, with ophthalmic clinical outcomes evidenced amongst the best in the world. Once again, our care delivery has excelled and in 2023/24 we have had no cases of MRSA or Clostridium difficile.

Our national friends and family test stated that the overwhelming majority of respondents would recommend us to their friends and family, with positive scores of 93%, 94% and 96% in our A&E, outpatient and admitted environments respectively.

We had 748,016 patient contacts across our sites (excluding Bedford) which is an increase of 38,700 compared with 2022/23. We had 72,653 A&E attendances, which was a year-on-year increase of 4%. In our outpatient settings, we also continued to provide telephone and telemedicine environments, with 44,723 outpatient appointments held in a virtual setting.

We have continued to maintain many of our key targets in 2023/24, including all cancer waiting time targets, the A&E maximum four-hour waits at 98.6%, and diagnostic waiting times at 99.4% within 6 weeks. We are still in the process of recovering our referral to treatment performance (83.3%) but this has improved from last year, a notable achievement as we continue to assist other trusts with their longer-waiting ophthalmic patients.

2023/24 saw strong performance in an evolving period with a surplus of £19.0 million compared with a prior-year surplus of £6.7million in 2022/23. Patient activity continued to recover in the year across both NHS and commercial areas.

The Trust's capital expenditure for the year was £52.9 million (2022/23 £70.3m). With cautious management of working capital, this enabled the Trust to have cash reserves of £70.7 million (2022/23 £60.6m).

History, purpose and activities of Moorfields

We are the leading provider of eye health care services in the UK and a world-class centre of excellence for ophthalmic research and education. Our reputation for providing the highest quality of ophthalmic care has developed over more than 200 years.

Moorfields Eye Hospital is authorised to operate as a public benefit corporation under the National Health Service Act 2006. We were in the first group of ten selected trusts to become an NHS foundation trust in 2004. We are registered without conditions and with an overall rating of 'Good' with the Care Quality Commission (CQC).

At the very heart of our strategy is our core belief that people's sight matters. Our purpose is working together to discover, develop and deliver excellent eye care, sustainably and at scale.

NHS Integrated Care System (ICS) was established on 1 July 2022. Moorfields is located in North Central London ICS (NCL). The white paper, "Working together to improve health and social care for all", published in 2021, outlined four key aims for ICSs:

- Improving outcomes in population health and healthcare.

- Tackling inequalities in outcomes, experience and access.
- Enhancing productivity and value for money.
- Helping the NHS to support broader social and economic development.

NCL ICS is responsible for planning health and care services in its five boroughs, using the money it receives from NHS England. The focus for NCL ICS is on providing care and support that improves the health and wellbeing of everyone living in their boroughs. We have been working productively through the NCL ophthalmology clinical network, together with other eye units in the area, to take forward important programmes of work, particularly in respect of elective surgery reconfigurations, diagnostics and a single point of access, as part of advancing implementation of an improved eye care pathway.

As a specialist trust with 21 sites, we are playing an active part in delivering services that meet these key aims across NCL and for a number of other ICSs.

We provide a wide range of ophthalmic services, caring for patients with routine eye conditions as well as those with rare and complex conditions. We serve the NHS and private sectors in the UK and deliver care through our international services. Together with the UCL Institute of Ophthalmology (IoC) and other strategic partners, we conduct world-leading research and play a leading role in the training and education of eye care clinicians.

We have a unique patient case mix, and more detail on our services can be found at https://www.moorfields.nhs.uk/listing/services

We are recognised as a world-class centre of excellence in eye research. With our partners at the IoC, we deliver leading edge, life-changing research for patients with eye disease, to benefit local, national and international patient populations. The Moorfields-UCL partnership was successful in a highly competitive national competition, obtaining 5-year funding from the National Institute for Health Research (NIHR) as a designated National Biomedical Research Centre, and the only national centre in ophthalmology. We were also successful in obtaining five-year NIHR funding for our Clinical Research Facility. This is our fourth successful designation and has provided the critical research infrastructure for our world-leading position in ophthalmology. This infrastructure, together with grants including from Moorfields Eye Charity, has supported most of our major innovative research initiatives, enabling us to fast-track projects to benefit patients more quickly. We have recently completed joint research strategies and are also developing joint strategies on Equality, Diversity and Inclusion and Patient Public Involvement in research, to ensure we involve as many people as we can in the process and the benefits of research.

Some highlights include the HERCULES project at Brent Cross, developing improved ways of running diagnostic clinics at Moorfields and nationally. This is linked to the improved use of data, including imaging and further development of artificial intelligence programmes to try to speed up and improve patient care, such as our OCTane software. We continue our development and trials of advanced treatments, including new drugs, stem cell and gene therapy for diseases that were previously untreatable.

We are also developing better systems such as ROAM (Research Opportunities at Moorfields) to make our clinical trials available for more patients, particularly those in underserved communities and with diverse populations.

Our researchers at Moorfields and UCL represent the largest number from a single site worldwide on The Ophthalmologist's Global Power List.

We also continue to play a leading role in the training and education of eye care clinicians and scientists nationally and internationally, integrating with strategic partners.

We are a founder member of UCL Partners, one of the UK's first academic health science

centres. Moorfields is one of only 20 sites nationally that has NIHR BRC status, providing us with the infrastructure to support major innovative research initiatives and enabling us to fast-track projects to benefit patients more quickly.

We have 2,531 (full-time and part-time) staff who are committed to sustaining and building on our pioneering history, and ensuring we remain at the cutting edge of developments in ophthalmology.

Looking ahead to the opportunities and challenges of a changing world, we need to build on our heritage of expertise in eye care, research and education and adapt for the future so that we continue to be relevant and add value for our patients.

How we are structured

We are led by a board of directors, which is established under the Trust constitution as a unitary board.

The responsibilities of the board and the membership council are set out in our constitution, which can be downloaded from our website. They are summarised as:

Membership council:

- To hold the non-executive directors to account individually and collectively for the performance of the board of directors.
- To represent the interests of the members of the Trust as a whole and the interests of the public.
- To give the views of the members and membership council to directors for consideration in the preparation and approval of the annual plan.
- To respond when consulted by the board of directors

Board of directors:

- To hold overall accountability for the organisation and responsibility for strategic direction and the high-level allocation of resources.
- To govern effectively in order to meet its responsibilities to stakeholders, including patients, staff, the community and system partners.
- To ensure that there is a balance between its three key roles, to formulate strategy, ensure accountability and shape culture.

We have strong clinical leadership arrangements below board level, with three operational divisions each led by a clinical divisional director, and service directors for each of our clinical services.

The divisions and services are complemented and supported by corporate directorates covering operations, nursing and allied health professions, strategy and partnerships, finance, human resources, research and development, IT, estates, and governance.

We operate a networked model of care, with 20 sites in London and the south east of England. Services provided by us are physically located in six Integrated Care System (ICS) footprints: four in London (North Central London, South West London, North East London and North West London); Bedfordshire, Luton and Milton Keynes; and Hertfordshire and West Essex. More is being delivered through our “digital estate” (for example Attend Anywhere and asynchronous diagnostic hubs). We expect this to continue to grow as a proportion of our offer to patients, enabling timely triage and treatment at a system level.

Each site is supported by a range of corporate services covering quality and safety, human resources, governance, strategy and business development and finance. Our access directorate is responsible for our business continuity and emergency preparedness and also includes our outpatient booking centre, health records department, medical

secretaries, referral to treatment (RTT) team and diabetic retinal screening team.

We are proud to be a critically important provider of eye care services in London, stemming from our role as a national and international centre, but also demonstrated through significant ophthalmology activity shares in each of our served population areas. The NHS long-term plan has reinforced the role of ICSs in establishing more collaborative working and joined-up care for patients and their local populations. NCL ICS has identified ophthalmology as an area where this principle can readily respond. We have “lead” or “coordinating” provider status in NCL and South West London, and we continue to build and model the relationships and behaviours we believe are necessary for successful system working. We are working constructively in the London Ophthalmology Board to promote a shared patient tracking list as an important step in reducing waiting times and health disparities.

We want to build an equitable system of excellent eye care that is also kind. We want to do all we can across our region to achieve this and, where we can, achieve the benefits of scale.

Moorfields Private

Moorfields Private provides private patient services to both national and international patients.

Following the acquisition of the London Claremont Clinic in December 2020, a full refurbishment has created a modern ophthalmology clinic in the heart of London’s medical district. Patients can choose to visit Moorfields Private in New Cavendish Street or City Road to access the full range of private ophthalmology treatments.

Both sites offer outpatient consultations and diagnostic tests, minor procedures, ophthalmic surgery and laser eye surgery. More complex surgery and the treatment of children is carried out at the City Road site.

Moorfields Private invests time and resources in building relationships with optometrists, private GPs and International Health Offices, recognising them as key partners in the referral and treatment of patients. Educational talks given by our consultants are a key element of this strategy. Our marketing team also creates further awareness of the services on offer across both sites to both referrers and patients.

In 2023/24, Moorfields Private fulfilled over 49,000 outpatient appointments, completed laser procedures on over 1,400 patients and admitted over 5,400 patients for surgical procedures.

The year saw the consolidation of our fifteen years of operations in **Moorfields Eye Hospital Dubai** and the completion of six years of operations in Moorfields Eye Hospital Centre in Abu Dhabi. Our hospital in Dubai has seen 342,000 national and international patients and performed 28,600 surgeries since its inception.

The healthcare market in the UAE continues to be dynamic. To maintain and grow our existing market share, we focused on contracts to increase patient footfall, attaining international accreditation and utilizing new methods to improve brand awareness and promote our high standards of eyecare services in the United Arab Emirates, Gulf Cooperation Council (GCC) and Africa. Our understanding of the market has allowed us to be highly proactive in our marketing efforts, utilising various channels to promote our services to the public, resulting in a higher proportion of new to returning patients than in previous years. Moreover, we have increased our corporate and healthcare referral agreements to maintain and grow the Moorfields brand name.

Moorfields Eye Hospital Centre Abu Dhabi officially opened in 2016 at Abu Dhabi Marina Village as the first joint venture of Moorfields in the Middle East in partnership with United Eastern Medical Services – a local healthcare operator and investment group. On 11 October 2021 Mubadala Health LLC acquired 60.38% of United Eastern Medical Services. Mubadala Health is ultimately owned 100% by the Government of Abu Dhabi.

Oriel 2023/24

The Oriel site has transformed in 2023/24 with the completion of demolition, underground works and the building reaching level 1 of the new centre by the end of March 2024.

In July, we marked an important construction milestone with a breaking ground event for key people from the Oriel partners, Moorfields Eye Hospital, the UCL Institute of Ophthalmology and Moorfields Eye Charity. We also invited important stakeholders, charity major donors and media.

As part of our planning permission with Camden Council, the Museum of London Archaeology (MOLA) spent eight months excavating the site. The team discovered the foundations and artefacts of a Victorian workhouse. The MOLA team shared their findings in a variety of ways after they completed their onsite work in September The team hosted public talks, webinars, community events, shared blogs and an audio book, available to the public.

In keeping with our co-design approach with patients, staff and sight loss partners, we held a series of engagement sessions to test the building façade and interior designs throughout the year. The engagement sessions in June, October and November 2023, helped us test the design with people with varying expertise and lived experiences.

Four tower cranes were installed during October to November and the site was prepared for the installation of a closed-loop ground source heat pump system. 81 boreholes were drilled to a depth of 172m each. This is equivalent to the length of two football pitches below ground.

In March we held an Oriel design public showcase for staff, patients and the public. More than 700 people attended the event at our education centre in Ebenezer Street and viewed exhibition boards, short films and computer-generated fly-through videos explaining the interior design of the new centre. Accessible materials included talking stickers, giving an audio description of the contents of the exhibition boards, 3D models and tactile floor plans.

The feedback we collated from visitors will help launch our staff engagement strategy. In the next year we will continue our engagement with staff, patients and sight loss partners as we prepare to move to the new centre in 2027. The building is expected to reach its full height by the end of 2024 and we will mark the occasion with a topping out ceremony.

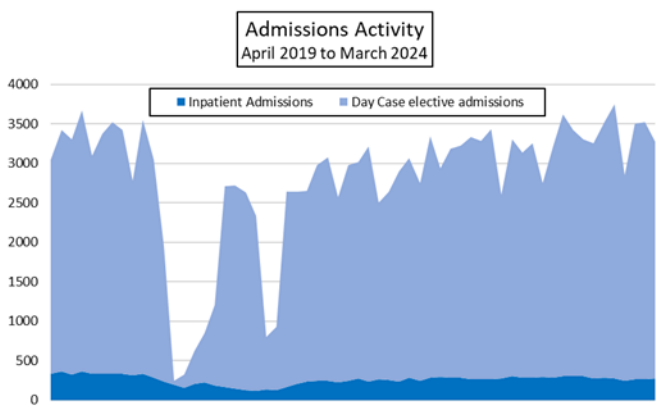
Patient activity

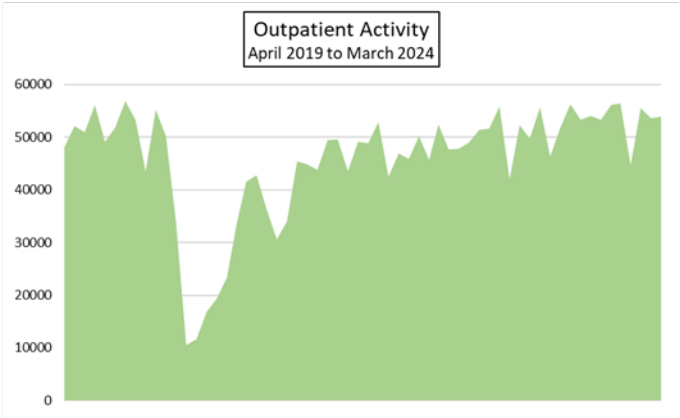
Moorfields' NHS patient activity and the total volume of Moorfields' NHS activity in 2023/24 are shown in the table below, with the previous two financial years shown for comparison (these figures exclude Bedford activity).

	Activity Total		
Point of delivery	**2021/22**	**2022/23**	**2023/24**
A&E	61,404	70,166	72,653
Inpatient day case	31,272	34,401	36,592
Inpatient elective (planned)	856	957	931
Inpatient non-elective (unplanned)	2,089	2,397	2,453
Outpatient	567,553	601,376	635,387
Grand total	**663,174**	**709,297**	**748,016**

The long-term activity profile reflects the national response to the Covid-19 pandemic with falls and rises in activity levels that mirror the timelines of government guidance and legislation. As can be seen in the graphs below, our response to bringing services back to, and beyond, pre-pandemic levels continues. When comparing 2019/20 data with 2023/24, Inpatient activity is achieving 101% of pre-pandemic activity levels and outpatients 103% (using April – February comparisons to adjust for the start of Covid-19 in March 2020).

It is worth noting that 19% of patients treated were non-London based.





Summary of principal risks

Our board assurance framework includes the high-level risks to the organisation. These are rated depending on the level and potential impact of risk, with red being the highest category of risk. A summary following a review is included in the Annual Governance Statement on page 55.

A going concern disclosure

After making enquiries, the directors have a reasonable expectation that the services provided by the trust will continue to be provided by the public sector for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

2.2 Performance analysis 2023/24

The Integrated Performance Report (IPR) provides the board with in-depth information on the performance of Moorfields. Each month, the performance and information department report on the following areas:

- operational measures such as A&E figures, attendance rates and waiting times.
- workforce measures such as staff sickness rates.
- quality and safety measures such as rates of infection, patient satisfaction and incidents.
- research and development measures such as number of patients participating in research studies.
- finance measures such as variance from financial plan; and
- commercial and private patient measures.

For 2023/24 the IPR has undergone a significant transformation and has adopted a Statistical Process Control (SPC) data analysis and presentation methodology promoted by NHS England. This new method of reviewing organisational performance moves away from the previous Red/Amber/Green rating system in favour of a more scientific interpretation of performance progression over a representative time period.

This new format enables the trust to understand when significant variations in performance occur which in turn supports both a more focused and targeted response to performance improvement and a deeper understanding of any underlying factors. Importantly it also allows the Trust to recognize and celebrate the achievement of strong levels of performance.

Training and awareness raising has been undertaken with the executive team, Board members and members of staff to ensure the new reporting format is understood and capable of being cascaded across the wider organisation. Feedback on this new technique has been extremely positive and copies of the Integrated Performance Reports are available of the Trust's intranet.

18-weeks referral to treatment (RTT) standard

Indicator	Target	2021/22	2022/23	2023/24
18-weeks RTT incomplete – all pathways	≥ 92%	78.1%	77.9%	82.1%
18-weeks RTT incomplete – pathways with a decision to admit	n/a	71.2%	66.6%	71.3%
New RTT periods all patients	n/a	123,954	132,192	137,940

Performance for the measure retained as the primary key performance indicator (18-weeks referral to treatment incomplete) improved this year but has yet to return to pre-pandemic levels and remains below the annual target of 92%. However, this performance must be seen in the context of continued support for our Integrated Care System partners with Mutual Aid through the transfer of their patients onto our treatment pathways.

A&E

Indicator	Target	2021/22	2022/23	2023/24
A&E four-hour performance	≥ 95%	99.90%	99.40%	98.60%
Total number of arrivals in A&E	N/A	61,404	70,166	72,653
Time to treatment in A&E department – median	≤ 60 mins	87	91	91
Time to assessment in A&E department – median	≤ 15mins	18	28	33

The national requirement is to report the proportion of attendances lasting fewer than four hours from arrival to admission, transfer, or discharge in A&E. This has a minimum target of 95% which we have consistently exceeded across the year.

Cancer waiting times

Indicator	Target	2021/22	2022/23	2023/24
% Patients With All Cancers Receiving Treatment Within 31 Days of Decision to Treatment	≥ 96%	n/a	n/a	100%
% Patients With All Cancers Treated Within 62 Days	≥ 85%	n/a	n/a	98.40%
28-day Faster Diagnosis Standard	≥ 75%	93.30%	100%	92.30%

The national suite of key performance indicators for cancer waiting times performance has been amended his year. Moorfields continues to perform well in this important area with all measures maintaining their high levels of performance and exceeding the national targets.

Cancer targets are always challenging, and the relatively low number of patients makes performance percentages fluctuate. Performance can be influenced by patient choice or the fitness of the patient to undergo surgery, much of which is outside of the control of the Trust.

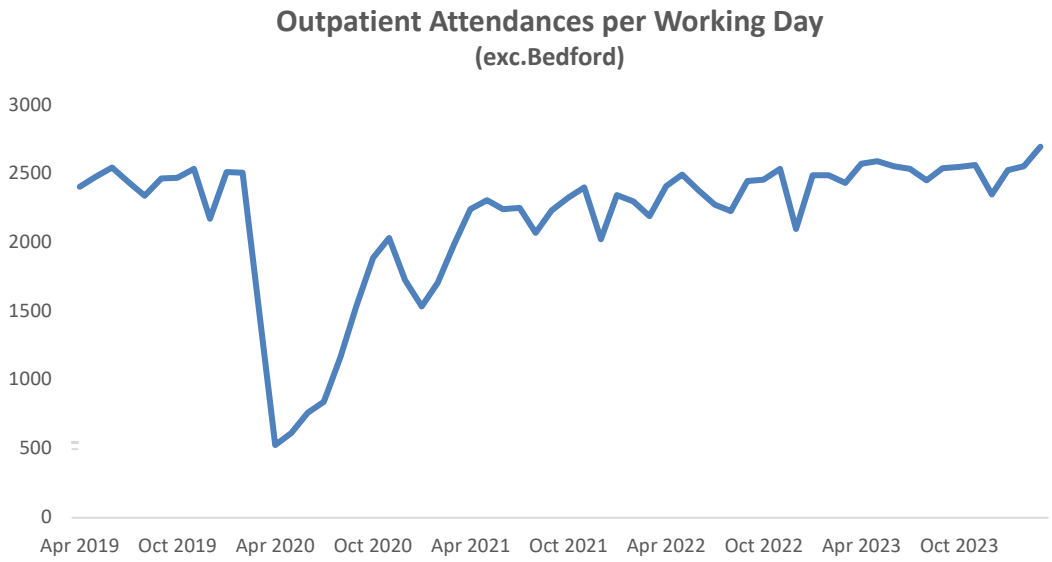
Despite this, the Trust has continued to ensure that cancer patients receive exceptional service.

Diagnostics

Indicator	Target	2021/22	2022/23	2023/24
Diagnostic waiting times – six weeks	≥ 99%	99.00%	99.40%	99.40%

Diagnostic waiting times have returned to their pre-pandemic level of performance where the national target has again been achieved.

Outpatient activity



The graph above shows the pattern of average outpatient's attendances undertaken by the Trust over the last three years and the impact of the pandemic is clear to see. After steady increases across the last years, it is pleasing to note that the trust has now returned to the levels of activity previously delivered.

The table below shows all activity for Moorfields systems (excluding Bedford).

	Activity Total		
Indicator	**2021/22**	**2022/23**	**2023/24**
Outpatient total attendances – first appointment	125,351	140,255	151,250
Outpatient total attendances – follow up appointments	442,245	461,422	484,137
Outpatient cancellations (hospital cancellations)	4.00%	4.60%	5.30%
Outpatient DNA* rate – first appointment	13.30%	13.60%	13.10%
Outpatient DNA* rate – follow up appointment	13.20%	11.90%	11.30%

Safety

Indicator	Target	2021/22	2022/23	2023/24
Number of MRSA cases	0	0	0	0
Number of Clostridium difficile cases	0	0	0	0
Venous thromboembolism (VTE) screening	≥ 95%	97.5%	98.2%	98.6%
Mixed sex accommodation	0	0	0	0

Performance within the safety arena has been strong, with all key targets met. The trust monitors an additional number of infection control metrics all of which have recorded zero cases over the last year.

Service delivery measures

Ward staffing levels are calculated for those wards with inpatient beds which, for Moorfields, includes the observation unit and Francis Cumberlege wing at City Road and Duke Elder ward at St George's Hospital. The data included reflects the national methodology, which requires trusts to publish fill rates for both registered nursing staff and care staff separated into day and night periods. This data is shown in the table below.

Designation	Percentage fill rate 2023/24
Registered nurses – day	100.41%
Registered nurses – night	100.49%
Care staff – day	98.12%
Care staff – night	97.40%
Total fill rate	**99.67%**

Tackling health inequalities

During the year, the Trust project team, led by the organisation's consultant in public health and ophthalmology, with the support of the Trust's analytical and informatics team, has completed initial data analysis into issues of health inequality and disparity in service provision. This has focused on uptake and access to services across patient demographics and deprivation levels.

Initial findings indicate that once patients are within our system, variations in access and uptake of services were seen for –

- Type of attendance outcomes of booked OPD appointments - by Risk
- RTT for surgical episodes completed in 2022-23 - by Deprivation, Risk and Need

This important piece of work will continue to aid the trust in better understanding how it delivers its activity to Moorfields patients, who have a broad socio-economic and cultural diversity.

The work will move into a second phase using the data to establish strategies and actions to address these and act as a focal point for change where required. It will also look to ensure that there is a sustainable mechanism for analysis and reporting to ensure this issue is at the heart of the way in which the trust monitors its service delivery and levels of performance.

Financial report

During the financial period the trust reported a surplus of £19.0m compared with a surplus of £6.7m in the prior year.

Statement of comprehensive income

Income for the year was £342.4 million (2022/23: £296.4 million), an increase of £46m on the prior year, as both NHS and Private patient activity increased alongside an increase in charitable funding.

Income and expenditure

All figures in £ million	2023/24	2022/23
Income		
Income from activities		
NHS income	257.0	224.5
Private patient income	44.0	40.8
Total income from activities	**301.0**	**265.3**
Other operating income	41.4	31.1
Total other operating income	**41.4**	**31.1**
Total income	**342.4**	**296.4**
Expenses		
Pay costs	181.2	161.5
Non-pay costs	125.9	113.8
Depreciation and amortisation	16.6	14.4
Total operating expenses	**323.7**	**289.7**
Operating surplus	**18.7**	**6.7**
Interest and dividends	(0.4)	(0.7)
Other one-off gains for disposal of assets and share of joint venture profit	0.7	0.7
Surplus for the year	**19.0**	**6.7**

Income from our Private and overseas patient activities in London and United Arab Emirates increased during the year by £3.2 million (8%) to £44.0 million (2022/23: £40.8 million) as a result of increased patient activity.

Other operating income, including research and development, education and training, charitable income, and other income, increased by £10.3 million (33%), to £41.4 million (2022/23: £31.1 million). The increase was in relation to a charitable donation from Moorfields Eye Charity of £7m for Oriel.

Operating expenditure excluding impairments increased in-year by £34.0 million (12%) to £323.7

million (2022/23: £289.7 million).

Pay costs increased by £19.7 million (12%) to £181.2 million (2022/23: £161.5 million), and non-pay costs increased by £12.1 million (11%) to £125.9 million (2022/23: £113.8 million).

Income disclosures
Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes.

The Trust met this requirement. In 2023/24, 14.6% of income from provision of goods and services was derived from non-NHS income (2022/23 15.4%).

Section 43(3A) of the NHS Act 2006 requires NHS foundation trusts to provide information on the impact that other income it has received has had on its provision of goods and services for the purposes of the health service in England.

Surpluses from other income the Trust received have been used to support the provision of goods and services for the purposes of the health service in England.

Statement of financial position
Total assets have increased by £56.2 million to £231.3 million as at 31 March 2024 (2022/23: £175.1 million). Non-current assets increased by £49.5 million to £262.7 million (2022/23: £213.2 million).

Current assets increased by £11.4 million to £105.9 million (2022/23: £94.5 million).

Current liabilities have increased by £12.3 million to £55.9 million (2022/23: £68.2 million). Non-current liabilities increased by £17.1 million to £81.4 million (2022/23 £64.4 million).

Taxpayers' equity increased by £56.2 million during the year.

Statement of cash flows
The Trust generated a net cash in-flow of £18.7 million from operations in 2023/24. The net cash surplus from operations, together with historic cash reserves, was used to fund internal capital expenditure of £9.2 million (2022/23: £18.4 million) and loan repayment, net interest, and Public Dividend Capital (PDC) dividend payments of £10.2 million (2022/23: £9.8 million). The trust also received £38.5m of PDC for externally funded capital.

The Trust ended the year with an increased level of cash at £70.7 million (2022/23 £60.6 million), an increase of £10.2 million.

Counter-fraud arrangements
The Trust has established a counter-fraud policy and response plan to minimise the risk of fraud or corruption. The Trust's local counter-fraud specialist (LCFS) reports to the chief financial officer and performs a programme of work designed to provide assurance to the board with regard to fraud and corruption. The LCFS also gives regular fraud awareness sessions for Moorfields' staff and investigates concerns reported by staff. If these are substantiated, the Trust takes appropriate criminal, civil or disciplinary measures.

Political donations
The Trust made no political donations during 2023/24 (2022/23: nil).

Commissioning arrangements
The Trust has commissioning arrangements in place with most Integrated Commissioning Boards across England on the basis of both fixed and variable components in line with national guidance.

Further information on the Trust's financial position can be found in the annual accounts.

Better payment practice code

The better payments practice code requires the trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

The trust achieves the aims of the better payment practice code in the majority of cases, and works with staff and suppliers throughout the year to minimise the remaining cases.

	2023/24 Number	2023/24 £000	2022/23 Number	2022/23 £000
Non-NHS				
Total bills paid in the year	42,222	208,528	35,874	170,861
Total bills paid within target	40.579	199,597	33,995	161,884
Percentages of bills paid within target	96%	96%	95%	95%
NHS				
Total bills paid in the year	1,281	26,146	1,936	19,306
Total bills paid within target	1,185	22,827	1,737	18,006
Percentages of bills paid within target	93%	87%	90%	93%
Total				
Total bills paid in the year	43,503	234,674	37,810	190,167
Total bills paid within target	41,764	222,425	35,732	179,890
Percentages of bills paid within target	96%	95%	95%	95%

Single Oversight Framework and Finance and Use Of Resources

During the Covid-19 Pandemic, the 'Single Oversight Framework' and 'Finance and Use Of Resources' reporting was suspended and has not as yet recommenced.

The Trust has complied with all cost allocation and charging guidance issued by HM Treasury.

The Trust has no income generating schemes with an individual cost exceeding £1m.

Improved facilities and sustainability

Following the drive to increase activity levels and subsequent review of existing plans for additional patient throughput and further learning from both academic and practical research into patient pathways, we incorporated this learning into designs for our Northeast hub in Stratford and a refresh of our Brent Cross outpatient's facility.

Both facilities opened successfully in the 2023/24 financial year and, with few niggles, have been successfully incorporated into the Moorfields prime estate.

Whilst these two schemes absorbed many resources, we have also undertaken various improvements to our network facilities. These include a full redecoration of the Croydon outpatients' areas, upgrades to Northwick Park air conditioning systems, and we are working through plans for refurbishments at Potters Bar, Ealing, Northwick Park, and an additional premises aimed at increased diagnostic services in the south.

A fund was also provided to upgrade the Eye Bank within City Road, to re-purpose parts of the existing infrastructure alongside adding a purpose-built clean room facility to enhance our transplant facilities as part of the ophthalmology and clinical support services division.

Our backlog maintenance management prioritises areas to maintain a high standard of critical infrastructure preventing disruption through failures to the estate. Areas included ventilation system upgrades, fire safety remedial work identified through our annual assessment process, decoration refreshes and roof repairs.

We have also been able to take forward additional energy monitoring modifications to the main premises with the installation of sub-metering, i.e. more granular energy meters that allow us to identify energy usage hot spots within the building ahead of future remedial works as part of our carbon reduction plans identified within our sustainability targets in our Green Plan.

Sustainability

We continue to work with our Green Plan, furthering the Greener NHS campaign, supporting the drive towards net zero emissions by 2040. We acknowledge this legally binding responsibility to our patients, local communities, and the environment by working hard to minimise our carbon footprint, continuously striving to be a truly sustainable trust, making effective use of public funding alongside smart and efficient use of natural resources to support healthy, resilient, and greener communities.

We recognise that achieving net zero is a much larger programme than just reducing energy consumption, so the Trust instigated a full review of potential sustainable solutions for its core activities. This has identified a significant programme of work which is being evaluated and prioritised for action across the forthcoming years.

One project that was completed was the implementation of a joint NHS /Streamlines Energy and Carbon Reporting (SECR) standards baseline measurement tool. Undertaking this benchmarking exercise has provided us with a high-level understanding of our carbon footprint base using known data from which more granular data can be sourced to further identify targets. Using this alongside the prioritisation exercise will ensure the trajectory towards Net Zero can be maintained.

With Oriel progressing towards its 2027 target completion, newer ways of working will present carbon reduction opportunities. An example is our strive for paperless and a significant contributor will be data integration through our forthcoming Electronic Paper Records (EPR) solution.

Procurement remains a vital focus and targeting our partnerships with key performance indicators amongst carbon reduction plans continues to be a focus, not just within the Trust but through the North Central London Integrated Care Board (NCL ICB) anchor working group and wider NHS procurement effort.

Emergency planning, preparedness and resilience (EPPR)

Each year we undertake an EPPR process review, the aim of which is to assure NHS England that we are prepared to respond to an emergency and have the resilience in place to continue to provide safe patient care during a major incident or business continuity event. The most recent review saw us awarded a green rating with substantial compliance in all standards.

Equality, diversity and inclusion (EDI)

The Trust's aspiration for equality, diversity and inclusion (EDI) is a culture that enables all staff and patients to feel welcome, a sense of belonging and be respected, and supports staff in realising their potential while helping patients achieve the best possible health outcomes.

Our EDI policy sets out how we ensure that neither patients nor staff are treated differently because of any protected characteristic they may have.

The Trust’s EDI strategic objectives are informed by qualitative and quantitative data, which includes our Staff Survey results, our Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standard (WDES) submissions, our Gender Pay Gap (GPG)

submission, and feedback from our staff networks. They are:

- Increase the diversity of our leadership and management teams.
- Build a strong and positive culture of inclusion and belonging.
- Improve the collection, reporting and transparency of our EDI data.

Further information on the gender pay gap can be found at Cabinet Office Gender Pay Gap Report, 2023 - GOV.UK (www.gov.uk)

Our strategic priorities are underpinned by a programme of work and delivery plan that is governed via our Working Together programme board. An EDI Steering Group has also been established to provide oversight and direction for EDI activities based on a co-production approach.

In the last year, the Trust has created a new associate director of employee experience role providing leadership on EDI and appointed an EDI manager to strengthen and provide capacity and expertise to further enhance our work in this area. We have refreshed the leadership of all three of our staff networks, as part of our ongoing commitment to maturing, growing, and supporting them and ensuring under-represented and diverse staff feel empowered and have a voice.
We have also invested in Active Bystander training, designed to equip colleagues with the skills and confidence to intervene if they witness inappropriate behaviour. To date, 585 colleagues have participated in the training.

We remain accredited with the 'two ticks' status, which guarantees people with a disability an interview if they meet the minimum criteria for a role.

Our patient equality objectives

To improve the equality outcomes for patients, carers and visitors, we are committed to:

- improving the experience of people identified by the protected characteristics when waiting for their appointment; and
- making information more accessible and specific to patients who have a clinical need.

In the past year, the Trust has further enhanced our approach to accessible information standards with an improved flagging system within the clinical record, enhanced information to support staff and development of a training programme for staff. In addition, the trust is rolling out our patient experience principles to elevate patient experience and incorporate our values of excellence, equity and kindness across the whole patient pathway. We have implemented the National Patient Safety Strategy, which focusses on maximising the things that go right and minimising the things that go wrong. This has included the development of a new approach to patient safety incidents and the development of a learning management system to enhance our safety culture.

Modern slavery and human trafficking

The Modern Slavery Act 2015 establishes a duty for commercial organisations with an annual turnover in excess of £36 million to prepare an annual slavery and human trafficking statement. This Trust takes the following steps to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its own business:

- identifies and mitigates the risks of modern slavery and human trafficking in our own business and our supply chain;
- adheres to the national NHS employment checks/standards (this includes employees' UK address, right to work in the UK and suitable references);
- follows NHS Agenda for Change terms and conditions to ensure that staff receive fair pay

rates and contractual terms;

- consults trade unions on any proposed changes to employment terms and conditions;
- has systems to encourage the reporting of concerns and the protection of whistle blowers;
- purchases a significant number of products through NHS Supply Chain, whose 'supplier code of conduct' includes a provision around forced labour. Other contracts are governed by standard NHS terms and conditions;
- upholds professional practices relating to procurement and supply, and ensures procurement staff attend regular training on changes to procurement legislation;
- ensures the majority of our purchases utilise existing supply contracts or frameworks which have been negotiated under the NHS standard terms and conditions of contract, and have the requirement for suppliers to have modern slavery and human trafficking policies and processes in place; and
- requests all suppliers comply with the provisions of the Modern Slavery Act (2015), through agreement of our 'supplier code of conduct', purchase orders and tender specifications.

Further information on policies and procedures and training can be found here: Modern slavery and human trafficking statement | Moorfields Eye Hospital NHS Foundation Trust

Dr Martin Kuper
Chief Executive and Accounting Officer
27 June 2024

3 Accountability report

3.1 Directors report

We benefit from a strong board of directors, whose wide-ranging experience underpins our continued success.

The board of directors holds overall accountability for the organisation and is responsible for its strategic direction and the high-level allocation of resources. It delegates decision making for the operational running of the Trust to the chief executive.

The directors are additionally responsible for preparing the annual report and accounts. Taken as a whole, they consider these are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess our performance, business model and strategy.

The board comprises 16 members, nine non-executive directors (including the chair; eight are considered to be independent, the ninth being a representative of the UCL Institute of Ophthalmology as defined in the trust's constitution) and seven executive directors.

Non-executive directors, including the chair, are appointed by the membership council following recommendations from the remuneration and nomination committee for non-executive directors. Executive directors are appointed by the remuneration committee of the board.

The current chair, Laura Wade-Gery, was appointed from 1 February 2023. Her significant other commitments are non-executive director, British Land plc and non-executive director, Legal & General Group plc. The full declarations of interest for our directors is on our website.

The board of directors believes it has the appropriate balance and completeness in its composition to meet the requirements of an NHS foundation trust. As of 31 March 2023, the following individuals comprised the voting members of the board of directors (expiry of current terms of office for non-executive directors are listed):

Laura Wade-Gery – chair from 1 February 2023 (female) (31 January 2026)
Rosalind Given-Wilson – vice chair and senior independent director (female) (extended for a further three months to 31 July 2024)
Asif Bhatti – independent non-executive director (male) (22 May 2025)
Vineet Bhalla – independent non-executive director (male) (departed board 28 September 2023)
Aaron Rajan – non-executive director (male) (28 February 2027)
Professor Andrew Dick – non-executive director (male) (30 September 2025)
Nick Hardie – independent non-executive director (male) (extended to 31 December 2024)
David Hills – independent non-executive director (male) (extended to 31 March 2026)
Richard Holmes – independent non-executive director (male) (15 March 2026)
Adrian Morris – independent non-executive director (male) (31 March 2024)

Martin Kuper – chief executive (male)
Jonathan Wilson – chief financial officer (male)
Louisa Wickham – medical director (female)
Sheila Adam – chief nurse and director of allied health professionals (female)
Professor Sir Peng Tee Khaw – director of research and development (male) – departed from the board September 2023
Jon Spencer – chief operating officer (male)

The non-voting directors listed below:
Nick Roberts – chief information officer (male)
Ian Tombleson – director of quality & patient safety (male)
Pete Thomas – director of digital development (male)
Kieran McDaid – director of estates, capital and major projects (male)
Professor Michele Russell – director of education (female)

Full profiles of all board members can be found here:
https://www.moorfields.nhs.uk/content/trust-board

2023/24 attendance record – voting board of directors

Name	Total
Laura Wade-Gery	6/6
Martin Kuper	6/6
Vineet Bhalla Departed Trust 28th September 2023	2/3
Asif Bhatti	5/6
Andrew Dick	6/6
Ros Given-Wilson	5/6
Nick Hardie	5/6
David Hills	5/6
Richard Holmes	5/6
Adrian Morris	6/6
Aaron Rajan (joined 1st March 2024)	1/1
Sheila Adam	6/6
Peng Tee Khaw Departed post 30th September 2024	3/3
Jon Spencer	5/6
Louisa Wickham	5/6
Jonathan Wilson	6/6

The **register of interests** of individual directors is available to the public on request and also on our website https://www.moorfields.nhs.uk/content/trust-board. Please write to: Company secretary, Moorfields Eye Hospital NHS Foundation Trust, 162 City Road, London EC1V 2PD, email: Moorfields.foundation@nhs.net or phone 020 7566 2490.

NHS England's Well-Led Framework

In 2023/24 we kept our corporate governance arrangements under review to ensure they meet the standards set out in the NHS England's Well-Led Framework. This included a Well-Led Developmental Review in July 2022 by our internal auditor, RSM UK. More details on this report are included in the Annual governance statements on page 50.

During 2023/24 Moorhouse Consulting has been working with us to conduct a review of the current functional model and governance framework. The final report supported us to shape and define a future state functional model and governance framework aligned to our strategy and objectives. Moorhouse Consulting has no other connection to the trust.

Audit and risk committee –

The board is required to maintain a sound system of internal control to safeguard its NHS clinical services, assets and non-NHS commercial services and investments. The audit and risk committee provides assurance to the board about the adequacy and effectiveness of our systems of internal control, its governance processes, service quality and economy, efficiency and effectiveness (value for money). The committee was delegated authority to approve the annual accounts and financial statements, management letter of representation and annual governance statement, along with the annual report and quality accounts.

In carrying out its duties, the audit and risk committee draws on, but is not limited to, the work of internal and external audit, the local counter-fraud specialist, financial, performance and other

evidenced assurance reports from management.

The audit and risk committee provides reports following each committee meeting. These reports increase the visibility of the audit process to stakeholders.

The audit and risk committee assists the board in fulfilling its oversight responsibilities in respect of the integrity of our accounts, risk management and internal control arrangements, compliance with legal and regulatory requirements, the performance, qualifications and independence of the external auditors and the performance of the internal audit function.

Management supplies the audit and risk committee with the information necessary for the performance of its duties. The internal auditors, the local counter-fraud specialist and the external auditors have direct access to the committee chair and members separately from management.

The audit and risk committee comprises four non-executive directors, including the quality and safety committee chair. The board has satisfied itself that all the members of the committee are competent in financial matters. The chair has recent and relevant financial experience. The committee's meetings are attended by the chief financial officer, company secretary, internal auditor, local counter-fraud specialist, external auditor and others as required. The chief executive has a standing invitation to attend the committee on an annual basis.

During 2023/24, the audit and risk committee met as follows:

Members/dates	**Total**
Asif Bhatti (chair)	**5/5**
Nick Hardie	**5/5**
Ros Given-Wilson	**3/5**
David Hills	**3/5**

The audit and risk committee work plan covers a wide range of issues, and reports were received during the year from a number of sources. Key areas and issues that were considered include core financial systems, risk management and the board assurance framework, waiting list management, sickness absence, digital strategy, safeguarding, payroll, and cost improvement plans.

Our **internal audit** function is performed by RSM UK Risk Assurance Services LLP. The role of internal audit is to focus on reviewing areas that either complement or underpin delivery of our strategy, based on risk assessment. RSM provide written updates on progress against an annual internal audit work plan and any recommendations made to management. This enables the committee to track both the timely completion of the work plan and the implementation of recommendations by management.

Where internal audit reviews indicate a material, significant or repeated theme of concern, the committee also makes recommendations for the board to assess and seek adequate assurance from executive management as necessary.

Our **external auditor** is Grant Thornton UK LLP. We and Grant Thornton have safeguards in place to avoid the possibility that the external auditors' objectivity and independence could be compromised. The audit and risk committee has responsibility for reviewing the annual report from the external auditors and ensuring their independence from the trust. The committee also ensures that actions are taken to comply with professional and regulatory requirements and best practice.

The audit and risk committee also reviews the statutory audit and other services (as relevant) provided by Grant Thornton, and compliance with our policy which describes in detail the types of services which the external auditors can and cannot provide. The services provided by Grant Thornton relate to:

- external audit
- other audit services, for example work that regulators require the auditors to undertake, such as on behalf of a regulator

All engagements with the external auditors over a specified amount require the advance approval of the chair of the audit and risk committee. The policy is regularly reviewed and, where necessary, is amended in the light of internal developments, external requirements and best practice.

So far as the directors are aware, there is no relevant audit information of which the auditors are unaware and the directors have taken all the steps they should in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Recommendations from the audit and risk committee to the membership council

Following completion of the work of the external auditors, the audit and risk committee did not identify any matters where it considered that action or improvement needed to be reported to the membership council.

Remuneration committee

The remuneration committee is responsible for setting the pay and terms of employment of executive directors and other board-level posts, as well as taking an overview of our performance rewards strategy. It is also responsible for appointing executive directors and other board-level posts.

The committee is chaired by the Trust's chair and comprises all independent non-executive directors. The chief executive and the director of workforce and organisation development attend meetings of the remuneration committee in an advisory capacity. The committee's decisions are informed by benchmarking information from published reward research, such as the NHS boardroom pay report, and surveys of other trusts' remuneration for similar posts.

During 2023/24, the remuneration and nominations committee met as follows:

Members / dates	Totals
Laura Wade-Gery (chair)	5/5
Adrian Morris	5/5
Asif Bhatti	4/5
Ros Given-Wilson	3/5
Nick Hardie	3/5
David Hills	5/5
Vineet Bhalla	2/3
Richard Holmes	4/5

Aaron Rajan	1/1

Accounting policies for pensions are set out in note 1.6 and other retirement benefits are set out in note 10 in the annual accounts. Details of employee costs can be found in note 9 in the annual accounts.

Performance evaluation

Executive directors each undergo formal annual appraisals led by the chief executive. The chair appraises the performance of the chief executive, and all non-executive directors, and discusses the outcome of these meetings with the governors' remuneration and nominations committee, with a particular focus on those due for reappointment. The senior independent director discussed the chair's performance with non-executive directors. The outcomes of these discussions are taken to the remuneration and nominations committee of the membership council.

During the year, board-level committees were reviewed by an external consultancy, Moorhouse, and in September new committees were approved by the Board. The following non-statutory committees have also been established by the board of directors:

Discovery and Commercial Committee (formerly Strategy and Commercial Committee)

The purpose of the committee is to review, on behalf of the board, the following key areas:

- the development of business cases and investment proposals, including the approval of business cases within the limits set out in the standing financial instructions;
- oversight of the research strategy carried out by and for the trust, as well as intellectual property, related partnerships and assurance on excellence projects;
- oversight of all commercial strategy and areas of income generation.

Quality and Safety Committee

The purpose of the committee is to review, on behalf of the board, the following key areas:

- to provide oversight and board assurance about the quality and safety aspects of clinical services;
- to provide assurance about legal compliance with health and safety and related legislation;
- to steer the quality elements of the trust's strategy;
- to support the implementation of the quality strategy and quality improvement plan; and
- to oversee the development and implementation of the quality account.

People and Culture Committee

The purpose of the committee is to review, on behalf of the board, the following key areas:

- the recruitment, retention, management and development of the trust's workforce;
- The workforce strategy of the trust and its implementation;
- the education strategy of the trust and its implementation; and
- the trust's obligations under the public sector equality duty.

Finance and Performance Committee

The purpose of the committee is to review, on behalf of the board, the following key areas:

- financial policies and strategy; and
- financial performance and delivery of the Trust's budget
- seek assurance that performance management principles and processes are embedded across the Trust
- seek assurance that procurement performance is optimal

Major Projects and Digital Committee (formerly capital scrutiny committee)

The purpose of the committee is to provide advice and scrutiny on the following key areas:

- development of business cases and investment proposals, including the approval of business cases, contracts and projects within the limits set out in the standing financial instructions;
- digital developments within the Trust, including strategies, and relevant excellence programme work;
- oversight of capital work and spend in the Trust;
- oversight of strategy and work within estates and facilities.

3.2 Membership report

The membership council has a duty under the NHS Act 2006 to represent the interests of NHS foundation trust members, the public and our staff. The membership council continues to play a vital role in our work, advising us on how best to meet the needs of patients and the wider stakeholder community.

It has a number of statutory duties, including appointing the chair and non- executive directors and deciding on their remuneration, as well as ratifying the appointment of the chief executive. The membership council holds the non-executive directors to account individually and collectively for the performance of the board of directors. The membership council approve significant transactions, such as Oriel, and also receives our annual report and accounts, the auditor's report and contributes to our annual business planning process.

The membership council includes elected and nominated governors as shown in the table below and has decision-making powers defined by statute. These powers are described in the constitution and are mainly concerned with holding to account the non-executive directors individually and collectively for the performance of our board; the appointment, removal and remuneration of the chair and non- executive directors; the appointment and removal of our external auditors; the provision of views on strategic plans; and representing the views of members.

The membership council formally met five times during 2023/24 to discuss a wide range of subjects, including patient engagement and communication, digital and technology progress, Oriel engagement progress, development of EPR procurement, and review and development of Freedom to Speak Up (FTSU). An extraordinary meeting was held in December 2023, to approve the appointment of Aaron Rajan as a new non-executive director.

During 2023/24 the membership council, like the board, started to meet face-to-face and so established hybrid meetings allowing those that did not want to physical attend, to do so virtually.

Governors receive a copy of the public board papers and are invited and actively encouraged to observe the board meetings in public. This allows governors to gain assurance that we continue to work well under considerable pressure. The governors' governance development group reflects on the board meeting at its next session. They then report back to their colleagues at the next meeting of the membership council. The membership council also established a new group – the membership and patient engagement and communications group – which will focus on development the membership of the Trust and communication issues.

Feedback from membership council meetings is provided at the next available board meeting. Governors are encouraged to provide as much feedback to membership council meetings as possible. Our governors ensure that the non-executive directors are accountable and listen to the needs and views of our patients and stakeholders. This includes providing input to our annual plan, including our objectives, priorities and strategy.

Through the chair, the board of directors interacts regularly with the membership council to ensure that it understands their views and those of our members. Governors meet with

individual non-executive directors to discuss issues, the performance of the board and to assist them in assessing how the non-executive director is doing.

The process for resolving any dispute between the membership council and the board of directors is described in the Trust's constitution (paragraph 17). We are proud of the way that directors and governors work together to ensure that we have a strong and cohesive system of mutually supportive governance.

Membership Council composition and attendance report 2023/24

Name and constituency	Membership Council meetings attended
Andrew Clark (Public: Beds and Herts) Elected 28 March 2022 (2 years)	5/5
John Sloper (Public: Beds and Herts) Elected 28 March 2022 (2 years)	5/5
Jeremy Whelan (Public: North Central London) Departed July 2023	1/1
Emmanuel Zuridis (Public South West London) Elected 28 March 2022 (2 years)	5/5
Kimberley Jackson (Public South West London) Elected 28 March 2022 (2 years)	4/5
Emily Brothers (Patient) Elected 1st April 2023 (1 year)	5/5
Rob Jones (Patient) Lead governor Elected 31 March 2021 (3 year) re-elected from 1st April 2024	5/5
Allan MacCarthy (Public: South East London) Vice-chair Elected 28 March 2022 (2 years)	5/5
Robert Goldstein (Public: North West London) Elected 28 March 2022 (2 years) elected to NCL from 1st April 2024	3/5
Paul Murphy (Public: NCL) Elected 31 March 2021 (3 year) re-elected from 1st April 2024	5/5
Naga Subramanian (Public: SEL) Elected 31 March 2021 (3 year) re-elected from 1st April 2024	5/5
Richard Collins (Public: NEL and Essex) Elected 31March 2021 (3 year)	5/5
John Russell (Public: NEL and Essex) Elected 28 March 2022 (2 years)	2/5
Marcy Ferrer (Patient) Elected 31 March 2021 (3 year)	0/5
Vijay Arora (Public: NWL) Elected 31 March 2021 (3 year) re-elected from 1st April 2024	5/5
Anup Shah (Staff: network sites) Elected 28 March 2022 (2 years)	5/5
Joy Adesanya (Staff: City Road) Elected 28 March 2022 (2 years)	4/4
Vijay Tailor-Hamblin (Staff: City Road) Elected 31 March 2021 (3 years)	2/5
Cllr Santiago Bell-Bradford, London Borough of Islington Appointed: 1 September 2022	0/5

Ian Humphreys, College of Optometrists Appointed 5 December 2019	4/5
David Shanks, University College London Appointed 14 November 2017	1/5
Tricia Smikle, Royal National Institute of Blind People Appointed 14 November 2017	5/5

Elected governors hold their positions for three years. Nominated governors are proposed by their host organisation and hold the position until a new nomination is made.

The membership council has one committee and two groups:

The remuneration and nominations committee of the membership council met twice in 2023/24, and also concluded some business via chair's actions, which was reported to the Membership Council. This committee is established to ensure that the selection and appointment process for non-executive directors is robust, and to periodically review non-executive director remuneration levels to ensure an appropriate balance between value for money and attracting candidates of sufficient calibre.

During 2023/24, the remuneration and nominations committee oversight the recruitment of Aaron Rajan as a new non-executive director of the Trust, who commenced in March 2024. They also agreed to recommend the extensions of two non-executive directors during the year, and commenced work to recruit a new non-executive director to be concluded by June 2024.

The governance development group is established to propose and carry out initiatives that will improve the role of the membership council in our governance and the development of governors individually and collectively. In 2023/24 the group was largely focused on how best to recommence site visits, NED/governor sessions and post board governor forums, arrangements for board and Membership Council meetings and governor elections. It met three times during the year.

During the year the membership council re-established a membership and patient engagement group, which would work on initiatives designed to develop the membership of the foundation trust, improve communications between the Trust and members and public, as well as governors and ensure that the Trust and its members benefit from that relationship. It had an inaugural meeting late in the year.

The register of interests of individual governors on the membership council is available on the website and to the public on request. Please write to: company secretary, Moorfields Eye Hospital NHS Foundation Trust, 162 City Road, London EC1V 2PD, email: moorfields.foundation@nhs.net or phone: 020 7566 2490.

Our membership

We have approximately 12,785 members, including 2,531 staff members.

Our membership is an essential and valuable asset. It helps guide our work, decision making and adherence to NHS values. It also provides one of the ways in which we communicate with patients, the public and staff. Membership numbers in each public constituency reflect to some degree the size of the service provision in the area. The patient constituency is the largest constituency overall with members from across all services and geographical locations across the country.

All members are invited to the annual meeting which took place virtually in October 2023. As of 31 March 2024 the breakdown of our membership between constituencies is as follows:

Constituency	Number of members
Patient constituency	6,385
Bedfordshire and Hertfordshire public constituency	299
North Central London public constituency	713
North East London and Essex public constituency	1,011
North West London public constituency	1175
South East London public constituency	253
South West London public constituency	418

Staff constituencies	2,531

Representing our membership

Members are represented by elected patient, public, and staff governors on the membership council which meets at least four times a year. Governors participate in a range of activities, such as membership development and engagement, conducting site visits, reviewing quality initiatives and attending recruitment panels for non-executive appointments.

We draw our public membership from six geographic constituencies, set out in the table above. Any member of the public who lives in one of these areas and is aged 14 years or over can join as a public member. Any patient aged 14 years or over can join the wider patient constituency. Eligible staff will be automatically registered as members and are able to opt out. A member of the Trust may cease their membership at any time via the contact below.

Members who want to contact their representative governor or a member of the board should write to: company secretary, Moorfields Eye Hospital NHS Foundation Trust, 162 City Road, London, EC1V 2PD, email: moorfields.foundation@nhs.net. This information is also available on the trust's website: www.moorfields.nhs.uk/membership.

Elections

Elections were held in March 2024 and terms of office of those elected commenced on 1 April 2024. The constituencies and outcomes are set out below.

Constituency	Number of seats	Successful candidates
Public (including patient)	8	Paul Murphy Robert Goldstein Naga Subramanian Rob Jones Ursula Smartt Dinesh Solanki Sean Cooke Vijay Arora
Staff: Network sites	1	Yasir Khan
Staff: City Road	1	Amit Arora

All elections are held in accordance with the election rules set out in the constitution. This has been confirmed by the returning officer for the elections held during 2023/24.

Compliance with the Code of Governance for NHS Provider Trusts

Moorfields Eye Hospital NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. This code was revised and the new version came into effect on 1 April 2023. The board of directors support and agree with the principles set out in the NHS Foundation Trust Code of Governance. The following areas have been identified as non-compliant with the code, or are in the process of being implemented:

The procedure for resolving conflicts between the board of directors and the membership council is outlined at section 17 of our constitution.

Areas of non-compliance
The code refers to the appointment of executive directors that should be on fixed term arrangements and reviewed every five years. All executive directors have permanent contracts of employment which cannot be changed without agreement by both parties. Therefore, their position on the board is co-terminus with their executive contract.

Dr Martin Kuper
Chief executive
27 June 2024

3.3 Remuneration report

The Trust's remuneration committee makes decisions in relation to directors' pay in light of benchmarking information derived from published research on reward, such as the NHS Providers remuneration survey, and surveys of other trusts'' remuneration for similar posts. In 2023/24 existing directors received a cost-of-living increase in line with guidance from NHS England. Where directors had taken on additional and substantial responsibilities their remuneration was reviewed to ensure it remained in line with internal and external relativities.

Remuneration is not split into different elements. The committee is always mindful of the national NHS pay uplift for staff and the system within which staff are remunerated, including restraints that apply to trusts and foundation trusts in special measures, when considering each individual. The final determination of the pay level for any individual is based on an assessment of performance. All contracts are open ended. As at 31 March 2024, all trust executive directors are on a six-month notice period. There is no termination payment built into the contract and there are no contractual provisions for early retirement beyond that required by the law. In certain circumstances, an individual may benefit from the provisions of the NHS pension scheme. The trust does not provide any non-cash benefits within the remuneration package.

Accounting policies for pensions and other retirement benefits are set out in note 9. Details of the board of directors' remuneration can be found on page 38, and details of employee costs can be found in note 8 in the annual accounts. Information relating to off-payroll arrangements is included in the staff report.

NHS foundation trusts are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

3.33.1 For employees of the Trust as a whole, the range of remuneration in 2023/24 was from £20,800 to £330,572 (2022/23 £18,147 to £275,450). The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 5.0% (2022/23: 4/3%). Three employees received remuneration in excess of the highest-paid director in 2023/24 (2022/23: two employees). There was no performance pay or bonus in either year.

3.33.2 . Three employees received remuneration in excess of the highest-paid director in 2023-2024. (2022/23: 3.09%). There was no performance pay or bonus in either year.

3.33.3 The banded remuneration of the highest-paid director in the organisation in the financial year 2023-24 was £245,000 (2022-23, £226,000). This is a change between years of 8.12%.

3.33.4 The median remuneration of staff employed at the trust during the 2023/24 financial year was £42,470 (2022/23: £40,447). The 25th percentile remuneration was £30,279 (2022/23 £28,625 and the 75th percentile remuneration was ££57,311 (2022/23 £55,049).The calculation is based on full-time equivalent staff of the reporting entity at the reporting period end date on an annualised basis.

3.33.5 The mid-point of the banded remuneration of the highest paid director of the trust for the sample period 2023/24 was £245,000 (2022/23: £226,000) – only those directors whose remuneration the trust is directly able to determine are included in this calculation.

3.33.6 The ratio of the two amounts was 5.77:1 in 2022/23 (2022/23: 5.60:1) – that is, the mid-point of the banded remuneration of the highest paid director of the trust was 5.77 times that of the median remuneration for all staff employed at the trust.

3.33.7 The ratio for the 25th Percentile in 2023/24 is 8.09 (2022/23 7.92) and the 75th Percentile in

2023/24 is 4.27 (2022/23 4.12).

3.33.8 There was one compensation for loss of office were made during 2023/24.

The fair pay multiple does not include any agency costs.

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

As required by section 156(1) of the Health and Social Care Act 2012, I declare that the total out-of- pocket expenses paid to governors of the trust in 2023/24 was £442 (2022/23: £53), and that total out- of-pocket expenses paid in 2023/24 to the directors was £7,781 (2022/23 £1,082).

Dr Martin Kuper
Chief executive
27 June 2024

Salary entitlements of the board of directors [the following table is subject to audit]

2023/24				
Name and Title	**Executive Salary (bands of £5,000) £'000s**	**Clinical / Research Salary (bands of £5,000) £'000s**	**Pension-Related Benefits (bands of £2,500) £'000s**	**Total Entitlement (bands of £5,000) £'000s**
Dr Martin Kuper - Chief Executive	245 - 250	-	0 - 2.5	245 - 250
Mr J Wilson - Chief Financial Officer and Deputy Chief Executive	165 - 170	-	-	165 - 170
Prof P Khaw - Research Director (end date 30.09.23)	90 - 95	70 - 75	-	160-165
Ms L Wickham - Medical Director	55 - 60	190 - 195	0 - 2.5	245 - 250
Mr J Spencer - Chief Operating Officer	165 - 170	-	0 - 2.5	165 - 170
Ms S Adam - Director of Nursing & Allied Health Professions	150 - 155	-	-	150 - 155
Ms L Wade- Gery - Chairman	45 - 50	-	-	45 - 50
Ms R Given-Wilson - Non-Executive Director	15 - 20	-	-	15 - 20
Mr A Dick - Non-Executive Director	10 - 15	-	-	10 - 15
Mr A Morris - Non-Executive Director	10 - 15	-	-	10 - 15
Mr N Hardie - Non-Executive Director	15 - 20	-	-	15 - 20
Mr D Hills - Non-Executive Director	15 - 20	-	-	15 - 20
Mr M Bhatti - Non-Executive Director	10 - 15	-	-	10 - 15
Mr V Bhalla - Non-Executive Director (end date 01.09.23)	5 - 10	-	-	5 - 10
Mr R Holmes - Non-Executive Director	10 - 15	-	-	10 - 15

2022/23				
Name and Title	**Executive Salary (bands of £5,000) £'000s**	**Clinical / Research Salary (bands of £5,000) £'000s**	**Pension-Related Benefits (bands of £2,500) £'000s**	**Total Entitlement (bands of £5,000) £'000s**
Dr Martin Kuper - Chief Executive	225 - 230	-	107.5 -110	335 - 340
Mr J Wilson - Chief Financial Officer and Deputy Chief Executive	160 - 165	-	-	160 - 165
Prof P Khaw - Research Director	30 - 35	210 - 215	-	245 - 250
Ms L Wickham - Medical Director	55 - 60	135 - 140	57.5 - 60	245 - 250
Ms J Moss Director of Strategy & Business Development (end date 23.10.22)	75 - 80	-	87.5 - 90	165 - 170
Mr J Spencer - Chief Operating Officer	135 - 140	-	-	135 - 140
Ms S Adam - Director of Nursing & Allied Health Professions (start date 1.04.22)	130 - 135	-	-	130 - 135
Ms T Green - Chairman (end date 30.11.22)	30 - 35	-	-	30 - 35
Ms L Wade- Gery - Chairman (start date 1.02.23)	5 - 10	-	-	5 - 10
Ms R Given-Wilson - Non-Executive Director and Acting Chairman from 1.12.22 to 31.01.23	25 - 30	-	-	25 - 30
Ms S Singha - Non-Executive Director (end date 21.04.22)	0 - 5	-	-	0 - 5
Mr A Dick - Non-Executive Director	10 - 15	-	-	10 - 15
Mr A Morris - Non-Executive Director	10 - 15	-	-	10 - 15
Mr N Hardie - Non-Executive Director	15 - 20	-	-	15 - 20
Mr D Hills - Non-Executive Director	15 - 20	-	-	15 - 20
Mr M Bhatti - Non-Executive Director (start date 1.09.22)	10 - 15	-	-	10 - 15
Mr V Bhalla - Non-Executive Director	10 - 15	-	-	10 - 15
Mr R Holmes - Non-Executive Director	10 - 15	-	-	10 - 15

Pension-related benefits are intended to show the notional increase or decrease in the value of directors' pensions assuming the pension is drawn for 20 years after retirement. It is calculated as 20 x annual pension increase + lump sum increase, adjusted for inflation, less employees' pension contributions paid in the year.

Six members of the board were paid more than the threshold of £150,000 per annum used in the Civil Service for approval by the Chief Secretary of the Treasury, which equates to the Prime Minister's ministerial and parliamentary salary. We are mindful of our responsibility in ensuring value for money.

Nevertheless, we have an obligation to secure suitable individuals, and therefore the trust’s remuneration committee agreed the salaries in excess of the threshold following benchmarking and market testing.

Mr. Wilson. Prof Khaw and Ms. Adam were not members of the NHS Pension scheme in either years.

Pension benefits of directors [the following table is subject to audit]

Name and Title	Value of accrued pension at 31 March 2023 (bands of £5,000) £'000s	Value of accrued pension at 31 March 2024 (bands of £5,000) £'000s	Real increase in year in the value of accrued pension (bands of £2,500) £'000s
Dr Martin Kuper – Chief Executive	80 - 85	80 - 85	0.0 - 2.5
Ms L Wickham – Medical Director	45 - 50	45 - 50	0.0 - 2.5
Mr J Spencer – Chief Operating Officer	30 - 35	30 - 35	0.0 - 2.5

Name and Title	Value of automatic lump sums at 31 March 2023 (bands of £5,000) £'000s	Value of automatic lump sums at 31 March 2024 (bands of £5,000) £'000s	Real increase in year in the value of automatic lump sums (bands of £2,500) £'000s
Dr Martin Kuper – Chief Executive	175 - 180	220 - 225	22.5 - 25.0
Ms L Wickham – Medical Director	90 - 95	120 - 125	25.0 - 27.5
Mr J Spencer – Chief Operating Officer	60 - 65	95 - 100	22.5 - 25.0

Name and Title	Cash equivalent transfer value at 31 March 2023 £'000s	Cash equivalent transfer value at 31 March 2024 £'000s	Real increase in cash equivalent transfer value in 2023/24 £'000s
Dr Martin Kuper - Chief Executive	1,591	1,952	168
Ms L Wickham - Medical Director	823	1,030	106
Mr J Spencer - Chief Operating Officer	410	687	127

Non-executive directors do not receive pensionable remuneration.

A cash equivalent transfer value (CETV) is the actuarially assessed capital value of the pension scheme benefits accumulated by a member at a particular point in time. The benefits valued are the member's accumulated benefits and any contingent spouse's pension payable from the scheme. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

The real increase in CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the year. Benefits and related CETVs do not allow for a potential future adjustment for some eligible employees arising from the McCloud judgement.

The value of trust contributions to the NHS Pension Scheme in 2023/24 in respect of executive directors was £60k (2022/23: £87k).

Staff report

Staff sickness absence		
Average full time equivalent (FTE)	**FTE days lost**	**Average sick days per FTE**
0.91	36,971 (12 months)	15.54

Staffing WTE & Headcount 2023	
Permanently employed Staff with a permanent (UK) employment contract directly with the entity	**Other** Staff that do not have a permanent (UK) employment contract with the entity.
HC 2216 WTE 1991.37	HC 403 WTE 388.25

The following figures show our staffing breakdown by staff group, age, gender, ethnicity, disability and sexual orientation, as of 31st March 2024.

Workforce by staff group

Staff Group	Headcount	FTE
Add Prof Scientific and Technic	257	175.37
Additional Clinical Services	428	397.61
Administrative and Clerical	905	861.84
Allied Health Professionals	56	46.57
Estates and Ancillary	33	32.40
Healthcare Scientists	67	61.65
Medical and Dental	378	342.65
Nursing and Midwifery Registered	491	457.52
Students	4	4.00

Workforce by ethnicity

Ethnicity	Headcount	FTE
BME	1486	1363.91
White	841	749.66
Not Disclosed	292	266.05

Workforce by sexual orientation

Sexual Orientation	Headcount	FTE
Bisexual	30	29.80
Gay or Lesbian	46	43.35
Heterosexual or Straight	1733	1600.88
Other sexual orientation not listed	4	4.00
Undecided	3	3.00
Not Disclosed	803	698.58

Workforce by disability status

Disability	Headcount	FTE
No	2325	2111.42
Not Declared	62	57.31
Prefer Not To Answer	11	9.76
Unspecified	126	112.75
Yes	95	88.37

Workforce by gender

Gender	Headcount	FTE
Female	1807	1623.21
Male	812	756.40

Workforce by age

Age Band	Headcount	FTE
<=20 Years	5	5.00
21-25	133	131.24
26-30	314	300.69
31-35	392	364.09
36-40	368	324.14
41-45	283	249.18
46-50	369	337.40
51-55	296	274.03
56-60	233	213.13
61-65	148	123.60
66-70	55	43.59
>=71 Years	23	13.52

Staff friends and family test (FFT)

Due to the COVID-19 Pandemic, the staff FFT was suspended. Since then, we have started using the National Quarterly Pulse Survey via NHS England and Improvement. However, due to small sample sizes in our quarterly pulse surveys, we have reported the results from our last staff survey, in 2023.

	2023
	Staff Survey Results
% staff recommending Moorfields as a place for treatment	85% (Q25d)
% staff recommending Moorfields as a place to work	63% (Q2cc)

NB: The phrasing of the questions is as follows:

- Q25d - If a friend or relative needed treatment, I would be happy with the standard of care provided by this organisation
- Q25c - I would recommend my organisation as a place to work

Data for the period April 2023 – March 2024

Table 1 – Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
15	12.59

Table 2 – Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1-50%	15

Table 3 – Percentage of pay bill spent on facility time

	£
Provide the total cost of facility time	63,061
Provide the total pay bill	647,973
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	9.73%

Table 4 – Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	100%

Staff exit packages 2023/24 [this information is subject to audit]

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	-	-	-
£10,001 – £25,000	-	-	-
£25,001 – £50,000	-	-	-
£50,001 - £100,000	1	1	1
Total number of exit packages by type	-	-	-
Total resource cost £000s	74	99	173

Exit packages - non-compulsory departure payments	Agreements Number	Total Value of Agreements £000s

Voluntary redundancies, including early retirement contractual costs	-	-
Mutually agreed resignations (MARS) contractual costs	-	-
Early retirements in the efficiency of the service contractual costs	-	-
Contractual payments in lieu of notice	1	99
Exit payments following employment tribunals or court orders	-	-
Non-contractual payments requiring HMT approval (special severance payments)*	-	-
Total	-	-
Of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	-	-

Staff exit packages 2022/23

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	-	-	-
£10,001 – £25,000	1	-	1
£25,001 – £50,000	3	-	3
£50,001 - £100,000	4	-	4
Total number of exit packages by type	-	-	-
Total resource cost £000s	381	-	381

Exit packages - non-compulsory departure payments	Agreements Number	Total Value of Agreements £000s
Voluntary redundancies, including early retirement contractual costs	-	-
Mutually agreed resignations (MARS) contractual costs	-	-
Early retirements in the efficiency of the service contractual costs	-	-
Contractual payments in lieu of notice	-	-
Exit payments following employment tribunals or court orders	-	-
Non-contractual payments requiring HMT approval (special severance payments)*	-	-
Total	-	-
Of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-

Off-payroll engagements

For all off-payroll engagements as of 31 Mar 2024, for more than £245 per day and that last for longer than six months	2023/24 Number
No. of existing engagements as of 31 Mar 2024	5
Of which, the number that have existed:	
for less than one year at the time of reporting	3
for between one and two years at the time of reporting	2
for between 2 and 3 years at the time of reporting	0
for between 3 and 4 years at the time of reporting	0
for 4 or more years at the time of reporting	0

For all new off-payroll engagements, or those that reached six months in duration, between 01 Apr 2023 and 31 Mar 2024, for more than £245 per day and that last for longer than six months	2023/24 Number
Of which:	
No. assessed as caught by IR35	0
No. assessed as not caught by IR35	5
Number engaged directly (via PSC contracted to trust) and are on the trust's payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 Apr 2022 and 31 Mar 2023	2023/24 Number
Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the financial year.	0
Total no. of individuals on payroll and off-payroll that have been deemed “board members, and/or, senior officials with significant financial responsibility”, during the financial year. This figure must include both on payroll and off-payroll engagements.	15

Further information such as for staff turnover can be found at NHS workforce statistics - NHS England Digital

Staff survey

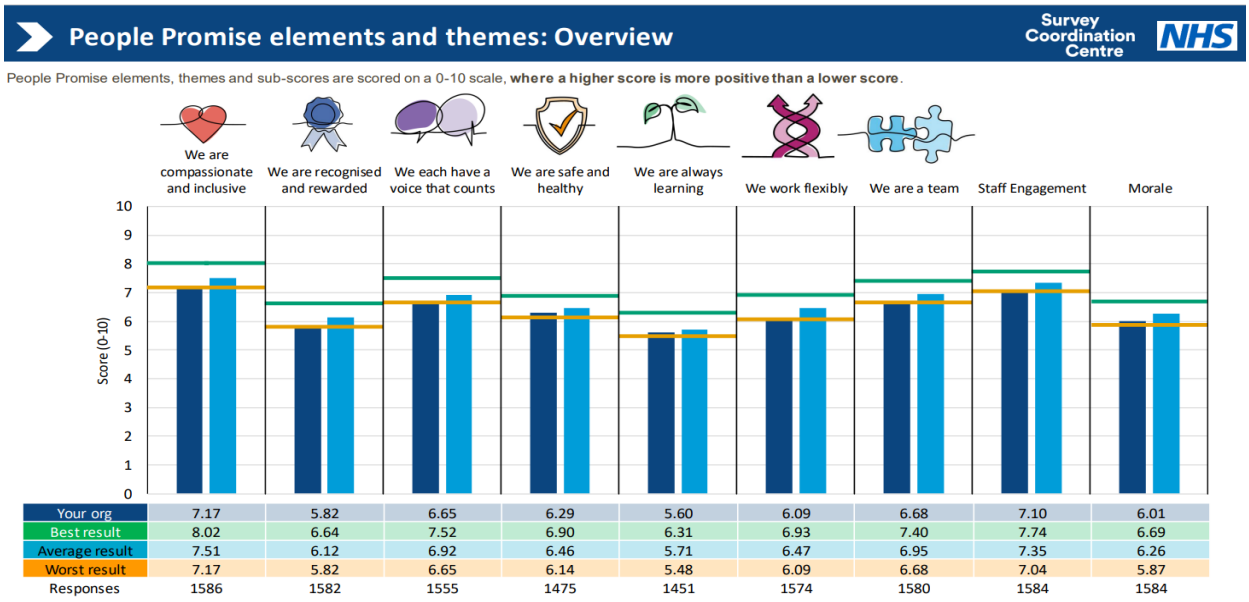
The NHS annual staff survey remains a leading indicator of staff engagement, morale and various elements of the workplace that contribute to a positive working environment. It helps track and enable improvement in staff experience across the NHS seven people promise plus the themes of Staff Engagement and Morale.

The annual and quarterly staff surveys serve as our main staff engagement and listening tools. Through the staff surveys, we aim to consistently understand and improve employee experience. Staff feedback through the staff survey result help us to know if we are getting staff engagement right and if our ongoing or planned interventions to improve staff experience are having the right impact.

This year, we achieved a response rate of 66%. This is a 16% year-on-year increase on our 2022 response rate of 50%, and significantly higher than the national average (54%) for our comparative group.

Against the seven NHS People Promise themes, plus the themes of Engagement and Morale, we have seen scores improve against six themes, maintain against two themes, and worsen against one theme. The theme 'We each have a voice that counts' was the only theme to worsen year-on-year. However, when benchmarking overall, our scores are below the national average – so we recognise that we have a lot of work to do to improve staff experience.

2023 People Promise scores



	We are compassionate and inclusive	We are recognised and rewarded	We each have a voice that counts	We are safe and healthy	We are always learning	We work flexibly	We are a team	Staff Engagement	Morale
Your org	7.17	5.82	6.65	6.29	5.60	6.09	6.68	7.10	6.01
Best result	8.02	6.64	7.52	6.90	6.31	6.93	7.40	7.74	6.69
Average result	7.51	6.12	6.92	6.46	5.71	6.47	6.95	7.35	6.26
Worst result	7.17	5.82	6.65	6.14	5.48	6.09	6.68	7.04	5.87
Responses	1586	1582	1555	1475	1451	1574	1580	1584	1584

Proposed areas for focus:

Historically, we have selected the lowest scoring NHS People Promise themes and focussed our action plan against these areas. For this year, we are prioritising those themes that align with our strategic focus. This approach reflects the output of our engagement with staff last year, but not enacted due to timing. It also has the benefit of demonstrating shared leadership for this work, amplifying our strategic focus areas through multiple channels and mitigates risks associated with resource capacity.

As such, our action plan focusses on themes listed below for the following reasons:

- **We are compassionate and inclusive.** Whilst this is our highest scoring theme, it is also the theme where we have the biggest gap between our score and the average score for our benchmarking group, and the second biggest gap between our score and the

best score for our benchmarking group. Additionally, it includes questions pertaining to experiences of discrimination, perceptions regarding career progression, and respecting individual differences. All of which we are an outlier for when compared with our benchmarking group.

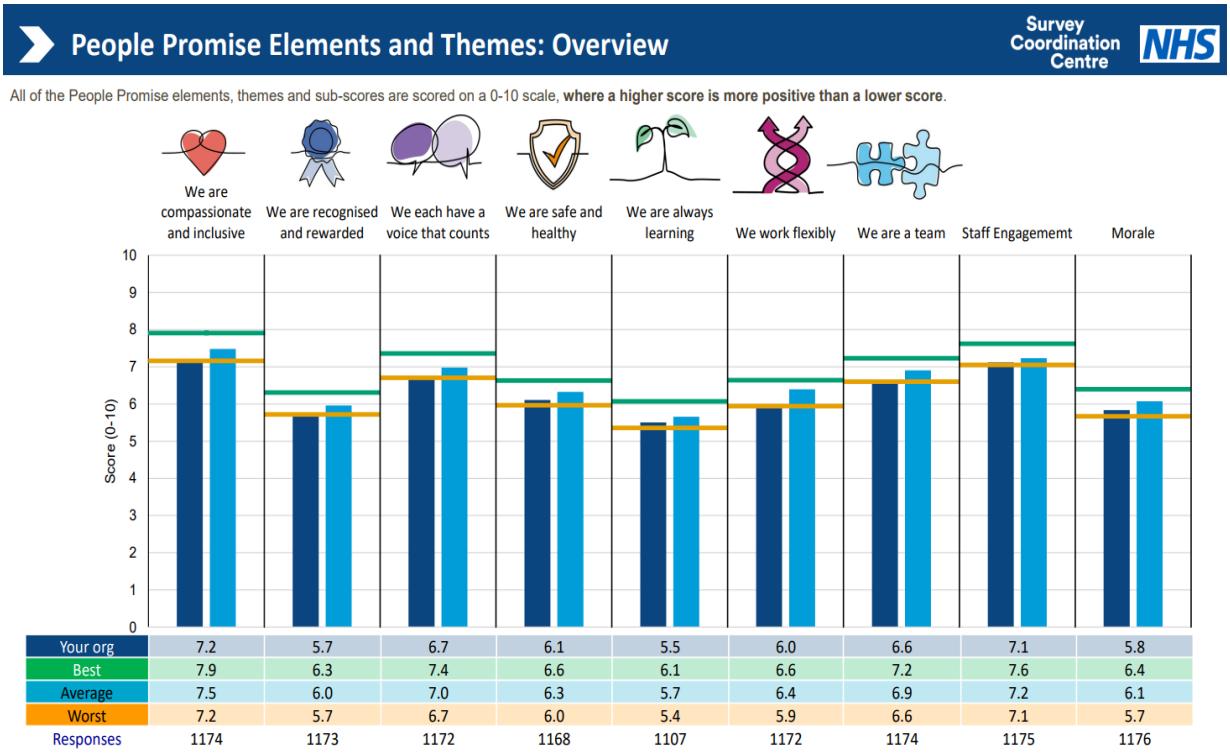
- **We each have a voice that counts.** This was our only theme score to deteriorate, albeit it wasn't a statistically significant change. It is also the theme with the biggest gap between our score and the best score for our benchmarking group.
- **We are always learning.** This remains our lowest scoring theme score.

Action plan

	Staff Survey Action Plan 2023			
Theme	**Action**	**Lead**	**Deadline**	**Intended outcome(s)**
We are compassionate and inclusive	Launch our Equity, Diversity and Inclusion vision and supporting programme plan, providing regular updates on our progress.	Associate Director Employee Experience	Vision launch – June 2024 Programme delivery - ongoing	Colleagues know and understand the trust's commitment to EDI. The EDI programme delivers against its agreed timeline, with colleagues engaged and communicated with throughout. Our values are embedded in the trust, as evidenced through policies, practices and processes, with the behavioural framework clearly communicated, so people know what is expected of them.
	Deliver a programme of work to embed our trust values of Excellence, Equity and Kindness, with an underpinning set of behaviours.	Associate Director Employee Experience	April 2025	
We each have a voice that counts	Embed our revised Freedom to Speak up approach.	FTSU Lead Guardian	December 2024	Colleagues understand how to raise concerns and have confidence that these will be addressed. Lead Guardian is visible and known to colleagues. Work in confidence scheme is well utilised, with a shift away from anonymous reporting as trust

				builds.
	Implement a regular line manager briefing to support managers to brief their teams on key issues of interest and provide opportunities for two-way feedback.	Internal Communication Lead	December 2024	Colleagues have increased awareness of important trust matters. Feedback and questions are highlighted and responded to.
We are always learning	Deliver a management and leadership development programme.	Associate Director Employee Experience	From April 2025	The trust has a clear management and leadership development offer in place. 50% of line managers have completed the programme within agreed timeline. Line managers have the skills and confidence to lead and manage their teams.

2022 People Promise Scores

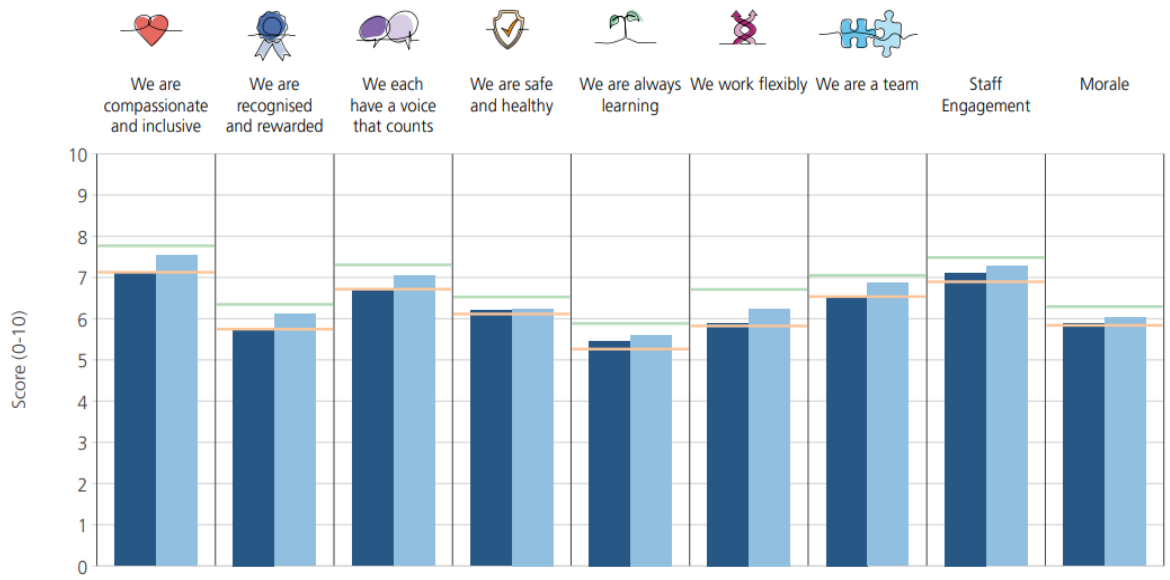


2021 People Promise Scores

Survey Coordination Centre

2021 NHS Staff Survey Results > People Promise and theme results **> Overview**

NHS



	We are compassionate and inclusive	We are recognised and rewarded	We each have a voice that counts	We are safe and healthy	We are always learning	We work flexibly	We are a team	Staff Engagement	Morale
Best	7.8	6.3	7.3	6.5	5.9	6.7	7.1	7.5	6.3
Your org	7.1	5.7	6.7	6.2	5.5	5.9	6.5	7.1	5.9
Average	7.5	6.1	7.0	6.2	5.6	6.3	6.9	7.3	6.0
Worst	7.1	5.7	6.7	6.1	5.3	5.8	6.5	6.9	5.8
Responses	1,231	1,218	1,219	1,223	1,184	1,209	1,226	1,229	1,231

3.34 Disclosures in the Code of Governance for NHS Provider Trusts

Moorfields Eye Hospital NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. It keeps its governance arrangements under regular review, including membership of board committees, their terms of reference and board performance assessments.

We are required to provide a specific set of disclosures in our annual report to meet the requirements of the NHS Foundation Trust Code of Governance. All provisions which require a supporting explanation in the annual report, even where we are compliance with the provision, are described in the appropriate section. A reference to the location of these disclosures is contained in the table below to avoid unnecessary duplication.

Code provision	Page number	Code provision	Page number	Code provision	Page number
A.2.1	57	C.2.8	29	D.2.7	52-55
A.2.3	29, 54-58	C.4.2	23	D.2.8	52-55
A.2.8	9-10	C.4.7	54	D.2.9	12
B.2.6	23	C.4.13	23-28	E.2.3	n/a
B.2.13	25	C.5.15	9	App B 2.3	31-32
B.2.17	30	D.2.4	26-28	App B 2.14	34
C.2.5	54	D.2.6	23	App B	33

3.35 NHS Oversight Framework

NHS England and Improvement's NHS System Oversight Framework provides the framework for overseeing systems, including providers, and identifying potential support needs. The framework looks at five national themes:

- quality of care, access and outcomes
- preventing ill health and reducing inequalities
- finance and use of resources
- people
- leadership and capability.

Based on information from these themes, providers are segmented from 1 to 4, where'4' reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A foundation trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence.

NHS England and Improvement assigned a score of '1' to Moorfields Eye Hospital NHS Foundation Trust in March 2023. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website.

3.36 Statement of the chief executive's responsibilities as the accounting officer of Moorfields Eye Hospital NHS Foundation Trust

The NHS Act 2006 states that the chief executive is the accounting officer of the NHS foundation trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS England.

NHS England has given accounts directions which require Moorfields Eye Hospital NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Moorfields Eye Hospital NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

In preparing the accounts and overseeing the use of public funds, the accounting officer is required to comply with the requirements of the Department of Health and Social Care Group Accounting Manual and in particular to:

- observe the accounts direction issued by NHS England, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements;
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance;
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the trust's performance, business model and strategy; and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Moorfields Eye Hospital NHS Foundation Trust and to enable them to ensure that the accounts comply with requirements outlined in the above-mentioned act. The accounting officer is also responsible for safeguarding the assets of Moorfields Eye Hospital NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as I am aware, there is no relevant audit information of which the trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.

Dr Martin Kuper

Chief executive and accounting officer

27 June 2024

3.37 Annual governance statement

Scope of responsibility

As accounting officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Moorfields Eye Hospital NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Moorfields Eye Hospital NHS Foundation Trust for the year ended 31 March 2024 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of directors is responsible for ensuring that a system of internal control is in place. As accounting officer, I have overall accountability for risk management in the Trust and chair the management executive, through which executive responsibility for risk management is exercised. The control of risk is embedded in the roles of executive directors through to the managerial staff within the organisation.

The risk management strategy of the organisation is to maintain systematic and effective arrangements for identifying and managing risk to an acceptable level which fits within our risk appetite. The strategy provides a framework for managing risk across the organisation which is consistent with best practice and Department of Health and Social Care guidance. The director of quality and safety has responsibility for the design, development and maintenance of operational risk systems, policies and processes. Divisional and directorate governance arrangements implement and maintain risk management processes, including the maintenance of risk registers. The day-to-day working of risk systems is therefore managed through our operational and departmental teams. The risk strategy provides a clear, systematic approach to the identification and assessment of risks to ensure that risk management is an integral part of clinical, managerial and financial processes across the organisation. The audit and risk committee, comprising non-executive directors, oversees the system of internal control and overall assurance processes associated with managing risk.

The risk and safety committee provides additional support to ensure that risk management processes are working effectively. The committee reviews themes and trends in risk and incident management and shares and encourages best practice across our network. As well as having individual and team responsibilities for policies, the risk and safety committee also supports divisions and directorates in ensuring that policies are kept up to date and that compliance is maintained. Oversight of our risk management arrangements is provided by the quality and safety committee.

The board of directors routinely receives updates from board committees including from the chair of the quality and safety committee. The board also receives assurance from the medical director and chief nurse and director of allied health professionals, through comprehensive quality and safety reports, about the management of "never events", serious incidents, complaints, claims, revalidation and incidents. The Trust adopted the Patient Safety Incident Response Framework (PSIRF) methodology, which is an innovative approach to how the NHS addresses patient safety incidents. This will guide the Trust on responding to incidents with the aim of optimising learning and facilitating improvement.

Risk management training is provided through the induction programme for new staff and this is supplemented by local inductions organised by managers. These include the induction of junior doctors in relation to key policies, standards and practices in clinical areas. Staff are required to undertake and maintain mandatory training in a number of areas relating to risk management. Examples of this are safeguarding of children and adults, fire, general health and safety, infection control, and risk and safety management. Different roles and responsibilities have associated training requirements; for example, those staff who work

most closely with children are required to have a higher level of safeguarding, whilst all staff are required to have a minimum of level one training.

The risk and control framework

The Trust has a risk management strategy and policy that remains relevant and fit for purpose. Levels of accountability and responsibility for risk are set out within this document. It has risk management systems in place for identifying, evaluating, monitoring, controlling and recording risk. The management of risk is embedded in management roles at all staff levels, and primary control for risk management takes place through divisions, departments and frontline teams. All risk registers are located in the risk management module of our Safeguard system which enables a more robust and consistent system of reviewing risks.

The principles of risk management are core to the organisation's business. The first stage of the risk process is the systematic identification of risks via structured risk assessments. Risks that are identified are documented on risk registers. These risks are analysed to determine their relative importance using a risk scoring matrix. Where relevant, risks are managed and mitigated locally. However, where they cannot be resolved, systems exist, and are described in the policy, to escalate risks progressively to higher level risk registers. Achieving control of the higher scoring risks is given priority over lower scoring risks. Key performance indicators (KPIs) related to risks are identified to improve board assurance and complement risk management processes.

Incident reporting is openly encouraged through our policies on incident reporting, being open and duty of candour, and staff training. We have an open culture which is demonstrated through staff survey results and reporting rates.

Divisional operational and quality dashboards are available for monitoring many types of performance activity, both clinical and non-clinical. The board assurance framework (BAF) has been developed throughout the year and is linked to monitoring our strategic objectives. The BAF details the principal risks that threaten the achievement of the strategic objectives, and how those risks are being mitigated. The Trust also has a corporate risk register (CRR), where risks of a significant rating are escalated onto with the agreement of the Trust management executive committee. The BAF and CRR were reviewed during the year by the management executive, audit and risk committee, board of directors, and internal audit where it received a reasonable assurance opinion.

The organisation continues to have a low appetite for risk in relation to patient safety and aims to minimise avoidable risk – this approach is built into all our risk systems although it recognises that healthcare is not without risk. It has a higher risk appetite in respect of developing its commercial divisions, of which it has two, Moorfields Private and Moorfields United Arab Emirates, and in the area of research, enterprise and innovation. The tolerances against risk appetite are derived based on the definitions from the Good Governance Institute.

The Trust has a range of quality governance systems (including a quality governance framework) in place which have been proactively developed over the previous three years and include systems for collecting, assessing and presenting quality and safety information from operational to board level. Oversight and scrutiny of these governance arrangements are provided by the quality and safety committee, which is a subcommittee of the board.

To achieve the Trust's commitment to providing high quality care in a safe environment, it strives to embed risk awareness and management at the core of its activities by developing and maintaining systems and procedures that identify and minimise risk to patients, visitors, staff and others.

Implementation of the strategy is actively supported by risk management processes that:

- raise awareness and develop a culture where all risks are identified, defined and managed;
- provide ongoing assessments of the organisation's objectives and identify the principal risks associated with failing to achieve these objectives;
- integrate risk management into the overall arrangements for clinical and corporate governance by developing robust arrangements in all areas for managing risk;
- ensure an appropriate system and organisational structure is in place for identification and control of key risks;
- apply a comprehensive, risk and evidence-based quality and safety assurance model;
- assure that key processes are in place to provide reliable information and enable management to make appropriate decisions;
- integrate risk management into the annual planning process; and

- encourage a culture of openness in terms of reporting and learning from event for both staff and patients, that enables and positively encourages organisational wide learning.

A programme of annual health and safety assessments is in place, led by the risk and safety department. In areas where this process has matured sufficiently, self-assessments take place. These reviews are complemented by a programme of patient safety data reviews that consider data and information about patient safety including trends and the need for any remedial action.

The Trust is registered and is fully compliant with the Care Quality Commission's (CQC) registration requirements. Systems exist to ensure compliance with the CQC's fundamental standards.

Quality and safety performance is monitored through a range of quality reports that are provided to the trust management committee, the quality and safety committee and board of directors. These reports are structured around the three Darzi themes of patient experience, patient safety and clinical effectiveness and the CQC domains. The organisation also uses various dashboards to review both operational performance and quality indicators. These dashboards enable divisions and services to scrutinise data in a timely manner to drive improvements and share learning across the network.

The board has oversight of the BAF and now receives an update four times a year. This is supported by reviews by the relevant board committee; for example, workforce risks are reviewed by the people and culture committee. Day-to-day management of corporate risks is the responsibility of directors with review by the management executive. Each risk has a linked mitigation plan led by the respective director, and the corporate risk register contains an assessment of how mitigations aim to reduce overall risk scores. These are rated dependent on the level and potential impact of risk with red being the highest. A summary is included below:

Five board assurance framework risks are rated as red**:**

- If the Trust is unable to manage appropriately the impact of unpredictable events such as workforce and transport strike action or a successful cyber attack then there will be an impact in a number of areas including significant harm to staff and patients, significant financial risk both in the short and long term, reputational risk, workforce impact and system working risk.

- If the key assumptions behind Oriel are not achieved, then there may be insufficient capital and resources available, leading to a failure to be able to deliver a new facility that is fit for purpose and improves the patient and staff experience.

- If the trust fails to put in place sufficient support for staff and processes/procedures to manage staff health and wellbeing, then this will lead to increased stress and sickness absence, poor staff engagement with the organisation, poor recruitment and retention and a significant impact on staff morale.

- If the Trust's digital infrastructure fails to provide robust resilience and adequate performance, then treatment of patients may be compromised through either a lack of access to digital patient and administrative data, or a slowness of information delivery that reduces patient throughput enough that some patients may need to re-book and return for their treatment.

- Future funding models are now being provided under a hybrid block and activity approach rather than payment by results, creating uncertainty in future funding streams.

A further five risks on the board assurance framework are rated as amber:

- If the Trust does not have a robust workforce plan in place, then there will be staff shortages and skill gaps leading to insufficient numbers of staff available in key areas and a subsequent impact on the quality of patient care, pressure on staff and a decrease in morale which will affect both the staff and patient experience.

- If the Trust cannot attract sufficient research funding to maintain its position, then its capacity to conduct appropriate research will diminish leading to an inability to compete effectively for funding and a significant risk to the trust brand and reputation in the field.

- If the recovery of clinical services post-COVID does not ensure timely access to ophthalmic care for both new and existing patients then this may lead to patient harm, reputational risk and potential financial risk through litigation.

- If the growth in commercial activity is not to plan, then there will not be sufficient revenue generated leading to pressure on Trust finances elsewhere and a lack of ability to effectively compete in the market and to continue to provide high quality NHS services to patients as well as having an impact on the assumptions.

The Board had some change within the year, with Aaron Rajan starting as the new non-executive director in March 2024, replacing Vineet Bhallar who resigned earlier in the year.

Following a Well-Led Developmental Review in July 2022 by the internal auditor, RSM UK, the Trust engaged Moorhouse to review the board-level committees and recommend ways to strengthen them. This resulted in a new committee structure with terms of reference and delegated powers from the board.

The previous CQC full inspection visit was October 2018, when the Trust received Outstanding for the Caring domain and Good for all others, including the Well-Led domain (further information on the Trust's adherence to well-led can be seen on page 25). Good practice determines that we should undertake a Well-Led Developmental Review every three to five years and this, combined with the length of time since the last CQC inspection, means that the Trust felt that it was timely for this review to be undertaken in 2022-23. A small CQC review focused on Moorfields Private Eye Centre took place in September 2023, which the Trust received as rated 'good'.

The Moorhouse review reestablished board-level committees, and the new terms of reference came into effect in October 2023 for the following:

- Quality and Safety Committee
- Finance and Performance Committee (adding performance operations to the existing finance focus)
- Audit and Rick Committee
- People and Culture Committee
- Discovery and Commercial Committee (replacing Strategy and Commercial Committee)
- Major Projects and Digital Committee (replacing Capital Scrutiny Committee).

The Trust has undertaken much work during the year to develop governance arrangements in the discovery function (formerly R&D). This work is ongoing, however improvements include the establishment of discovery board and discovery council, as well as developments in related policy. The Trust also re-established a conflict of interest panel to assist colleagues, particularly in the discovery function on managing potential and perceived conflicts with the work they were pursuing.

The Trust management executive committee has also been developed and is now working towards reviewing board and committee papers in a more routine manner. This strengthens the governance at board level further, provides assurance to non-executive directors on the development of management proposals and ensures executive colleagues are sighted on developments.

Under NHS foundation trust Licence 4, the board must apply those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of health care services to the NHS. In order to mitigate any risks, the board has in place well developed systems of corporate and financial governance. Assurance on this is provided through the audit and risk committee, via both internal and external audit. NHSE guidance is circulated to the board as and when it becomes available and is also scrutinised by board subcommittees where relevant.

The board committee structure is fit for purpose and terms of reference are reviewed on an annual basis. Committees also undertake an annual review of effectiveness. There are governance structures in place that set out reporting lines and lines of accountability. The standing orders and the standing financial instructions are reviewed annually, and updated where needed.

The work of the committees is reported to the board via regular assurance reports.

We work within a framework that devolves responsibility and accountability throughout the organisation through robust service delivery arrangements. There are clear structures with clear responsibility and accountability below director level.

The board and audit and risk committee regularly review the BAF, which is linked to the CRR and

divisional/departmental risk registers.

We have an integrated performance function that links into all data systems to provide comprehensive reporting to the board and its committees. We recognise the importance of having timely and effective monitoring reports using data as a fundamental requirement to support the delivery of safe and high-quality care.

The board receives regular reports on finance, operational performance, quality and strategy. The board and its subcommittees receive presentations on specific areas that allow them to assess the position and receive assurance on issues such as operational performance, opportunities for growth and risks/uncertainties.

The Trust has a finance function underpinned by policies and procedures overseen by the chief financial officer. The board dedicates time to strategy, including financial strategy, at its board development sessions. The board's committees meet regularly to review financial performance, contracts, the capital programme, financial viability, etc. Appropriate finance controls and governance have been maintained during 2023/24. The trust's standing financial instructions provide clear limits on financial decision making including when board approval is required for significant financial decisions.

There is a succession plan in place and board development sessions for the whole board and executive directors.

The board concerns itself with quality of care at each meeting and through its committee structure; The board and committees receive intelligence about staff and patient experience via a number of routes throughout the year such as the annual staff survey, integrated performance report, complaints and serious incident reporting. The board receives a number of reports on quality of care. A committee of the board, the quality and safety committee, is dedicated to looking in detail at quality issues and this committee reports to the board following each meeting. The board also reviews the annual quality report. A number of risks on the BAF and CRR relate to care and are reviewed on a quarterly basis. All serious incidents and/or never events are reported to the board. The board has a mix of clinical, quality and performance expertise to provide leadership across the organisation and to take account of all board accountabilities in relation to quality. There are regular specific reports that provide data, using a variety of sources that enable the board to take timely and accurate account of quality of care.

The board receives quarterly reports on Freedom to Speak Up. The Trust undertook a review of this function and during the year relaunched the process for trust staff. It included the establishment of a confidential reporting portal where anonymity of staff is maintained. A substantive guardian role was created and recruited to.

There is a clear set of guidelines around ensuring that those board members and governors comply with the fit and proper persons regulations and that an annual assurance report is provided to the audit & risk committee.

The Trust has systems in place to ensure that staff employed at every level are appropriately qualified for their role. The Board and its committees receive information on workforce issues and are assured in particular through the people and culture committee.

The Trust has a group of experienced governors that have been involved with Moorfields for a number of years. New governors meet with the chair and company secretary as part of their induction, and to assess any development needs. An induction pack has been developed that provides governors with key information about us, including our structure, strategy, governance and leadership. This is given to all governors. Governors attend briefing sessions when needed and also have regular sessions with non-executive directors to discuss the working of the board and related committees. Other ad-hoc meetings are arranged about relevant areas. Governors have an established governance subgroup and have access to third party expertise as and when necessary. NHS Providers (through Govern Well) provide a variety of governor training courses to which all governors are invited to attend.

The foundation trust is fully compliant with the registration requirements of the Care Quality Commission. We received an overall rating of 'Good' in our last full CQC inspection in 2018/19.

The foundation trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the trust with reference to the guidance) within the past twelve months as required by the Managing Conflicts of Interest in the NHS guidance.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure compliance with all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Control measures are in place to ensure compliance with all the organisation's obligations under equality, diversity and human rights legislation.

The trust has undertaken risk assessments and has plans in place which take account of the 'Delivering a Net Zero Health Service' report under the Greener NHS programme. The trust ensures that it is compliant with its obligations under the Climate Change Act and the Adaptation Reporting requirements.

Review of economy, efficiency and effectiveness of the use of resources
The Trust's annual plan, which contains the financial plan, is approved by the board and submitted to NHS England. The board receives monthly financial reports. Overseen by the board, the executive team has responsibility for overseeing our day-to-day operations and for ensuring that resources are being used economically, efficiently, and effectively. Trust resources are managed via financial controls set out in the standing financial instructions, and on a day-to-day basis local financial and performance controls are in place in divisions and departments. Financial governance arrangements are supported by internal and external audit to ensure economic, efficient and effective use of resources.

The Trust uses the following outsourced service organisations: NHS Shared Business Services Limited ('SBS'): Finance and Accounting Services; and the Electronic Staff Record Programme ('ESR').

Workforce
The Board receives regular reports on staffing issues, such as the guardian of safe working report and the staff survey. Safer staffing levels are also reported through the monthly integrated performance report. The Board is developing a workforce strategy that includes short, medium and long-term objectives.

Information governance
The Trust's information governance is overseen by the information governance committee, which reports to the Trust's management executive committee and also provides assurance reports to the quality and safety committee. The information governance committee is chaired by the senior information risk owner (SIRO), who is the director of quality and safety; membership includes the Caldicott Guardian, deputy Caldicott Guardian, chief information officer, clinical safety officer, and head of information governance (who is also our data protection officer).

The information governance agenda is driven by key standards set down in the NHS Operating Framework and measured by compliance with the Data Security and Protection Toolkit (DSPT) requirements. In addition, the Trust has undertaken a major project to improve its information asset management accession and review process, initiated a voluntary audit with the Information Commissioner's Office, and has worked with stakeholders, including patient representatives, on principles of good data governance. The Trust has also contributed to the development of national guidance at the invitation of the Information Commissioner.

The Trust is required to process information (personal and corporate) in line with the standards set out in statute, regulation, and guidance. Information governance includes strategy, policy and procedures that enable staff to handle information in line with these requirements. Annual data security awareness training is mandatory for all staff. In 2023 (as in previous years) the trust achieved the target 95% of staff completing their basic mandatory IG training.

The DSPT annual submission is used to demonstrate compliance with IG standards using the national Data Security Standards. The DSPT period of assessment runs from July to June; the Trust was successful in completing all requirements to the standard set in 2023; the trust expects to make its next submission on time and expects to attain a 'standards met' return for all items. The DSPT internal audit for 2023/24 took place in March 2024 and its findings are reported to the audit and risk committee.

There were no incidents notified to the Information Commissioner's Office within the year.

Data quality and governance
We have a comprehensive data quality assurance framework that reviews organisational data capture processes and identifies any issues. The data covered includes key indicators and those that are included in the quality report. The framework works as an integral part of the trust's data quality policy and strategy and is underpinned by an audit function for ensuring compliance with national data completeness targets, an area in which the Trust perform extremely well.

Process audits, which utilise ISO9000 methodology, are also undertaken to ensure compliance with standard operating procedures for the collection, collation and submission of data, and these audits are currently being expanded across Moorfields. Similar audits are also undertaken by a dedicated referral to treatment (RTT) team to ensure specifically the accuracy of patient waiting times and to reduce risks to patients. All of this activity is overseen by the information management and data quality group, which reports to the information governance committee.

Review of effectiveness
As accounting officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust, who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of the review of the effectiveness of the system of internal control by the board, the audit & risk committee and quality and safety committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The process that has been applied in maintaining and reviewing the effectiveness of the system of internal controls has involved:

- the board's work programme which includes ensuring that the key compliance and regulatory requirements are reported and reviewed, and that the key risks are considered, and that these are collated through the board assurance framework;
- the audit and risk committee providing the board with independent review of financial and system controls. There has been a programme of internal audit to review the systems, controls and processes and the outcomes of these reports have been reviewed by the audit and risk committee;
- review of progress in meeting the Care Quality Commission's standards by divisional teams and the trust management committee; and
- review of serious untoward and other incidents by the board and the quality & safety committee.

The overall opinion from the head of internal audit for the period 1 April 2023 to 31 March 2024 is that 'the organisation has an adequate and effective framework for risk management and governance, albeit further enhancements were identified to ensure that it remains adequate and effective; however there were weaknesses in the framework of internal control such that it could become ineffective or inadequate.

This opinion covers the period 1 April 2023 to 31 March 2024 inclusive and is based on the nine audits that were completed in this period, with 3 having reasonable assurance and 6 partial assurance. The internal auditor was comfortable that while the reviews demonstrated some control issues, the risk management and governance for the Trust was reasonable. It was felt that along with the auditor's needed functions of review, the Trust was directing the internal auditor to known areas that needed improvement and the trust had a good record of completing management actions throughout the year, so as to achieve improvements.

The design and operation of the assurance framework and associated processes
Our assurance framework reflects our key objectives and risks and is regularly reviewed by the board. The audit and risk committee and executive review the board assurance framework on a quarterly basis and they provide reviews as to whether our risk management procedures are operating effectively.

The range of individual opinions arising from risk-based audit assignments are contained within our risk-based plans that have been reported throughout the year.

Conclusion
The board has a wide range of governance assurance systems in place. These include an effective

incident reporting system and systems for the identification and control of risk through the board assurance framework. Internal and external audit reviews, audits and inspections and walkabouts provide sufficient evidence that no significant internal control issues have been identified during 2023/24 and that control systems are fit for purpose with potential areas for improvement.

Dr Martin Kuper
Chief Executive
27 June 2024

Independent auditor's report to the Council of Governors of Moorfields Eye Hospital NHS Foundation Trust

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of Moorfields Eye Hospital NHS Foundation Trust (the 'Trust') and its subsidiaries (the 'group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Comprehensive Income, the Statements of Financial Position, the Consolidated Statement of Changes in Equity, the Statement of Changes in Equity, the Statements 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 international accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 7 of the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2023-24.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the group and of the Trust as at 31 March 2024 and of the group's expenditure and income and the Trust's expenditure and income for the year then ended; and
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2023-24; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. 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 and the Trust 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 are responsible for concluding on the appropriateness of the Accounting Officer's 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 and the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the Trust to cease to continue as a going concern.

In our evaluation of the Accounting Officer's conclusions, and in accordance with the expectation set out within the Department of Health and Social Care Group Accounting Manual 2023-24 that the group and Trust's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the group and Trust. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2022) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the group and Trust and the group and Trust's disclosures over the going concern period.

In auditing the financial statements, we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the 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 and the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Accounting Officer 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 and accounts, other than the financial statements and our auditor's report thereon. The Accounting Officer is responsible for the other information contained within the annual report and accounts. 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.

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 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.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2023/24 or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration Report and the Staff Report to be audited have been properly prepared in accordance with NHS Foundation Trust Annual Reporting Manual 2023/24; and
- based on the work undertaken in the course of the audit of the financial the other information published together with the financial statements in the annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006 in the course of, or at the conclusion of the audit; or
- we refer a matter to the regulator under Schedule 10 (6) of the National Health Service Act 2006 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the incurring of unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

We have nothing to report in respect of the above matters.

Responsibilities of the Accounting Officer

As explained more fully in the Statement of the Chief Executive's responsibilities as the accounting officer set out on page 50. The Chief Executive, as Accounting Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions included in the NHS Foundation Trust Annual Reporting Manual 2023/24, for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines 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 Accounting Officer is responsible for assessing the group's and the Trust'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 Accounting Officer has been informed by the relevant national body of the intention to dissolve the Trust and the group without the transfer of the services to another public sector entity.

Auditor's responsibilities for the audit of the financial statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and Trust and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (international accounting standards and the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2023-24).
- We enquired of management and the Audit and Risk Committee, concerning the group and Trust's policies and procedures relating to:
  - the identification, evaluation and compliance with laws and regulations;
  - the detection and response to the risks of fraud; and
  - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management, internal audit and the Audit and Risk committee, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the group and Trust's financial statements to material misstatement, including how fraud might occur, evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls and fraud risks on revenue and expenditure recognition.

  We determined that the principal risks were in relation to:
  - journal entries which met a range of criteria defined as part of our risk assessment;
  - revenue recognition of material streams of patient care income and other operating revenue; and
  - expenditure recognition of material streams of other operating expenditure.
  - Valuation of land and buildings.
- Our audit procedures involved:
  - evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;

  - journal entry testing, with a focus on journals meeting a range of criteria defined as part of our risk assessment;
  - testing of income and year end receivables to invoices and cash payment or other supporting evidence;
  - Tesring of expenditure and year end accruals to supporting evidence
  - challenging assumptions and judgements made by management in its significant accounting estimates in respect of land and building valuations;
  - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including the potential for fraud in revenue and expenditure recognition, the significant accounting estimates related to the valuation of land and buildings and accruals included within the accounts. We remained alert to any indications of non-compliance with laws and regulations, including fraud, throughout the audit.
- Our assessment of the appropriateness of the collective competence and capabilities of the group and Trust's engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - knowledge of the health sector and economy in which the group and Trust operates
  - understanding of the legal and regulatory requirements specific to the group and Trust including:
    - the provisions of the applicable legislation
    - NHS England's rules and related guidance
    - the applicable statutory provisions.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The group and Trust's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, financial statement consolidation processes, expected financial statement disclosures and business risks that may result in risks of material misstatement.
  - The group and Trust's control environment, including the policies and procedures implemented by the group and Trust to ensure compliance with the requirements of the financial reporting framework.

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.

Report on other legal and regulatory requirements – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024.

We have nothing to report in respect of the above matter except on 17 June 2024 we reported to you in our annual auditors report the following significant weakness in respect of the Trust's governance arrangements in respect of senior employee remuneration. We reported a significant severance package had not received NHS England or HMT Treasury approval and we were unable to obtain sufficient assurances guidelines had been considered and that all elements of the severance made were contractual in nature. We recommended that future severance and/or exit packages should be carefully scutinised by the Remuneration Committee to ensure the Trust is following all relevant guidelines from NHS England and acting fully in the spirit of openness and transparency.

Responsibilities of the Accounting Officer

The Chief Executive, as Accounting Officer, is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under paragraph 1 of Schedule 10 of the National Health Service Act 2006 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Trust plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Trust ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Trust uses information about its costs and performance to improve the way it manages and delivers its services.

We have documented our understanding of the arrangements the Trust has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we have considered whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Certificate

We certify that we have completed the audit of Moorfields Eye Hospital NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Trust's Council of Governors 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 Trust and the Trust's Council of Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Joanne Brown

Joanne Brown, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

London

Date: 27 June 2024

Moorfields Eye Hospital NHS Foundation Trust

Annual accounts for the year ended 31 March 2024

Foreword to the accounts

Moorfields Eye Hospital NHS Foundation Trust

These accounts, for the year ended 31 March 2024, have been prepared by Moorfields Eye Hospital NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Dr Martin Kuper
Chief executive and accounting officer

27 June 2024

Consolidated Statement of Comprehensive Income

		Group	
		2023/24	2022/23
	Note	£000	£000
Operating income from patient care activities	3	301,001	265,344
Other operating income	4	41,406	31,073
Operating expenses	7, 9	(323,673)	(289,655)
Operating surplus from continuing operations		**18,734**	**6,762**
Finance income	11	3,376	1,565
Finance expenses	12	(1,795)	(1,270)
PDC dividends payable		(1,985)	(982)
Net finance costs		**(404)**	**(687)**
Other gains	13	185	46
Share of profit of associates / joint arrangements	20	477	602
Surplus for the year		**18,992**	**6,723**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	8	(2,247)	(2,199)
Revaluations	18	1,078	4,178
Foreign exchange (losses) / gains recognised directly in OCI		(160)	264
Total comprehensive income for the period		**17,663**	**8,966**

Statements of Financial Position

	Note	Group 31 March 2024 £000	Group 31 March 2023 £000	Trust 31 March 2024 £000	Trust 31 March 2023 £000
Non-current assets					
Intangible assets	14	2,195	3,240	2,195	3,240
Property, plant and equipment	15	202,549	170,696	199,510	166,708
Right of use assets	19	32,548	37,113	25,750	29,556
Investments in associates and joint ventures	20	4,853	1,676	4,408	2,286
Investments in Subsidiaries	20	-	-	1,192	1,192
Receivables	22	20,605	517	24,755	4,517
Total non-current assets		**262,749**	**213,241**	**257,809**	**207,498**
Current assets					
Inventories	21	4,530	3,745	4,502	3,717
Receivables	22	30,627	30,147	30,568	29,585
Cash and cash equivalents	23	70,744	60,571	70,316	60,095
Total current assets		**105,901**	**94,463**	**105,386**	**93,397**
Current liabilities					
Trade and other payables	24	(45,945)	(56,694)	(44,301)	(55,197)
Borrowings	26	(7,460)	(7,504)	(6,671)	(6,733)
Provisions	27	(805)	(2,123)	(805)	(2,123)
Other liabilities	25	(1,700)	(1,905)	(1,700)	(1,905)
Total current liabilities		**(55,910)**	**(68,226)**	**(53,477)**	**(65,958)**
Total assets less current liabilities		**312,740**	**239,478**	**309,718**	**234,937**
Non-current liabilities					
Trade and other payables	24	(24,363)	(1,291)	(24,363)	(1,291)
Borrowings	26	(53,798)	(59,781)	(47,653)	(52,882)
Provisions	27	(3,273)	(3,301)	(3,093)	(3,126)
Total non-current liabilities		**(81,434)**	**(64,373)**	**(75,109)**	**(57,299)**
Total assets employed		**231,307**	**175,105**	**234,610**	**177,638**
Financed by					
Public dividend capital		115,014	76,475	115,014	76,475
Revaluation reserve		11,830	12,999	11,830	12,999
Other reserves		981	1,141	981	1,141
Income and expenditure reserve		103,483	84,491	106,786	87,023
Total taxpayers' equity		**231,307**	**175,105**	**234,610**	**177,638**

The notes on pages 9 to 58 form part of these accounts.

Dr Martin Kuper
Chief Executive
27 June 2024

Consolidated Statement of Changes in Equity for the year ended 31 March 2024

Group	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2023 - brought forward	**76,475**	**12,999**	**1,141**	**84,491**	**175,105**
Surplus for the year	-	-	-	18,992	**18,992**
Impairments	-	(2,247)	-	-	**(2,247)**
Revaluations	-	1,078	-	-	**1,078**
Foreign exchange losses recognised directly through OCI	-	-	(160)	-	**(160)**
Public dividend capital received	38,539	-	-	-	**38,539**
Taxpayers' and others' equity at 31 March 2024	**115,014**	**11,830**	**981**	**103,483**	**231,307**

Consolidated Statement of Changes in Equity for the year ended 31 March 2023

Group	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**30,318**	**11,020**	**877**	**77,768**	**119,982**
Surplus for the year	-	-	-	6,723	**6,723**
Impairments	-	(2,199)	-	-	**(2,199)**
Revaluations	-	4,178	-	-	**4,178**
Foreign exchange gains recognised directly through OCI	-	-	264	-	**264**
Public dividend capital received	46,157	-	-	-	**46,157**
Taxpayers' and others' equity at 31 March 2023	**76,475**	**12,999**	**1,141**	**84,491**	**175,105**

Statement of Changes in Equity for the year ended 31 March 2024

Trust	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2023 - brought forward	**76,475**	**12,999**	**1,141**	**87,023**	**177,638**
Surplus for the year	-	-	-	19,763	**19,763**
Impairments	-	(2,247)	-	-	**(2,247)**
Revaluations	-	1,078	-	-	**1,078**
Foreign exchange losses recognised directly through OCI	-	-	(160)	-	**(160)**
Public dividend capital repaid	38,539	-	-	-	**38,539**
Taxpayers' and others' equity at 31 March 2024	**115,014**	**11,830**	**981**	**106,786**	**234,611**

Statement of Changes in Equity for the year ended 31 March 2023

Trust	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**30,318**	**11,020**	**877**	**79,458**	**121,673**
Surplus for the year	**-**	**-**	**-**	**7,565**	**7,565**
Impairments	**-**	**(2,199)**	**-**	**-**	**(2,199)**
Revaluations	**-**	**4,178**	**-**	**-**	**4,178**
Foreign exchange gains recognised directly in OCI	**-**	**-**	**264**	**-**	**264**
Public dividend capital received	**46,157**	**-**	**-**	**-**	**46,157**
Taxpayers' and others' equity at 31 March 2023	**76,475**	**12,999**	**1,141**	**87,023**	**177,638**

Information on reserves

Public dividend capital
Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve
Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Financial assets reserve
This reserve comprises changes in the fair value of financial assets measured at fair value through other comprehensive income. When these instruments are derecognised, cumulative gains or losses previously recognised as other comprehensive income or expenditure are recycled to income or expenditure, unless the assets are equity instruments measured at fair value through other comprehensive income as a result of irrevocable election at recognition.

Other reserves
Exchange gains or losses on non-monetary assets and liabilities, including on revaluation, are recognised in other reserve under equity.

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the trust.

Statements of Cash Flows

	Note	Group 2023/24 £000	Group 2022/23 £000	Trust 2023/24 £000	Trust 2022/23 £000
Cash flows from operating activities					
Operating surplus		18,734	6,762	19,424	7,871
Non-cash income and expense:					
Depreciation and amortisation	7.1	16,612	14,440	15,313	13,574
Income recognised in respect of capital donations	4	(7,581)	(49)	(7,581)	(49)
Increase in receivables and other assets		(20,707)	(5,310)	(20,725)	(5,087)
Increase in inventories		(785)	(188)	(785)	(174)
Increase in payables and other liabilities		17,217	2,863	17,070	3,061
Decrease in provisions		(1,528)	(951)	(1,528)	(951)
Net cash flows from operating activities		**21,962**	**17,567**	**21,188**	**18,245**
Cash flows from investing activities					
Interest received		3,258	1,373	3,258	1,373
Purchase and sale of financial assets / investments		(2,737)	-	(2,158)	-
Purchase of intangible assets		(48)	(46)	(48)	(46)
Purchase of PPE and investment property		(57,768)	(64,504)	(58,223)	(61,989)
Sales of PPE and investment property		10,212	93	10,212	93
Receipt of cash donations to purchase assets		7,581	49	7,581	49
Net cash flow used in investing activities		**(39,502)**	**(63,035)**	**(39,378)**	**(60,520)**
Cash flows from financing activities					
Public dividend capital received		38,539	46,157	38,539	46,157
Movement on loans from DHSC		(1,823)	(1,823)	(1,823)	(1,823)
Movement on other loans		-	-	(150)	(4,000)
Capital element of lease liability repayments		(5,609)	(5,296)	(4,831)	(4,723)
Interest on loans		(867)	(929)	(867)	(929)
Other interest		(556)	-	(556)	-
Interest paid on lease liability repayments		(369)	(358)	(299)	(286)
PDC dividend paid		(1,503)	(1,354)	(1,503)	(1,354)
Net cash flows from financing activities		**27,812**	**36,397**	**28,510**	**33,042**
Increase / (decrease) in cash and cash equivalents		**10,272**	**(9,071)**	**10,320**	**(9,233)**
Cash and cash equivalents at 1 April - brought forward		**60,571**	**69,261**	**60,095**	68,947
Unrealised (losses) / gains on foreign exchange		(99)	381	(99)	381
Cash and cash equivalents at 31 March	23	**70,744**	**60,571**	**70,316**	**60,095**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS England has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2023/24 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts

Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

Note 1.2 Going concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case for both the Group and the Trust.

Note 1.3 Interests in other entities

Subsidiary entities are those over which the trust has the power to exercise control or a dominant influence so as to gain economic or other benefits. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to minority interests are included as a separate item in the Statement of Financial Position. The amounts consolidated are drawn from the published financial statements of the subsidiaries for the year. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

The Trust established MEH Ventures LLP during 2013/14 as a wholly-owned subsidiary. The Trust is able to exert control over this entity and accordingly the transactions of MEH Ventures LLP have been consolidated into the Moorfields Eye Hospital NHS Foundation Trust accounts.

On 04 December 2020, the Trust acquired 100% of the issued share capital and voting interests in Moorfields Private West End Limited (MP). MP is a multispecialty clinic located near Harley Street, in the heart of central London's renowned private medical community, and this site replaces the previous trust location on Wimpole Street. The Trust is able to exert control over this entity and accordingly the transactions of MP have been consolidated into the Moorfields Eye Hospital NHS Foundation Trust accounts.

The Trust and University College London have set up a joint venture ('Oriel Estates Services LLP') to deliver a new fully managed clinical, research and education facility at a site in Camden. This became operational on 1st April 2023 and the construction contract for the build was novated to the joint venture on this date. Once complete, the joint venture will be responsible for operating the facility for the two partners for an initial period of 25 years. The Trust funds its share of the build through a combination of payments in advance and loans to be repaid during the operational phase. A number of additional contracts for professional advisors were novated during 2023/24. Construction of the facility is expected to be complete in 2027.

Joint ventures are accounted for using the equity method.

The exemption to exclude the Trust's Statement of Comprehensive Income as allowed by DHSC GAM 2022/23 has been applied by the directors. All notes in the accounts refer to the Group. The Trust notes are included only where they are deemed to be materially different.

In 2023/24 the Trust reported a surplus of £19,762k (2022/23 surplus of £7,565k).

Note 1.4 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. Funding envelopes are set at an Integrated Care System (ICS) level. The majority of the Trust's NHS income is earned from NHS commissioners under the NHS Payment Scheme (NHSPS) which replaced the National Tariff Payment System on 1 April 2023. The NHSPS sets out rules to establish the amount payable to trusts for NHS-funded secondary healthcare.

Aligned payment and incentive contracts form the main payment mechanism under the NHSPS. In 2023/24 API contracts contain both a fixed and variable element. Under the variable element, providers earn income for elective activity (both ordinary and day case), out-patient procedures, out-patient first attendances, diagnostic imaging and nuclear medicine, and chemotherapy delivery activity. The precise definition of these activities is given in the NHSPS. Income is earned at NHSPS prices based on actual activity. The fixed element includes income for all other services covered by the NHSPS assuming an agreed level of activity with 'fixed' in this context meaning not varying based on units of activity. Elements within this are accounted for as variable consideration under IFRS 15 as explained below.

High costs drugs and devices excluded from the calculation of national prices are reimbursed by Commissioners based on actual usage or at a fixed baseline in addition to the price of the related service.

In 2022/23 fixed payments were set at a level assuming the achievement of elective activity targets within aligned payment and incentive contracts. These payments are accompanied by a variable-element to adjust income for actual activity delivered on elective services and advice and guidance services. Where actual elective activity delivered differed from the agreed level set in the fixed payments, the variable element either increased or reduced the income earned by the Trust at a rate of 75% of the tariff price.

The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN) and Best Practice Tariff (BPT) schemes. Delivery under these schemes is part of how care is provided to patients. As such CQUIN and BPT payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the overall contract with the commissioner and accounted for as variable consideration under IFRS 15. Payment for CQUIN and BPT on non-elective services is included in the fixed element of API contracts with adjustments for actual achievement being made at the end of the year. BPT earned on elective activity is included in the variable element of API contracts and paid in line with actual activity performed.

Elective recovery funding provides additional funding to integrated care boards to fund the commissioning of elective services within their systems. In 2023/24, trusts do not directly earn elective recovery funding, instead earning income for actual activity performed under API contract arrangements as explained above. The level of activity delivered by the trust contributes to system performance and therefore the availability of funding to the trust's commissioners. In 2022/23 elective recovery funding for providers was separately identified within the aligned payment and incentive contracts.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

Revenue from Private Patients

The Trust generates income from providing healthcare to private patients. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the private patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer.

Note 1.5 Other forms of income

Grants and donations

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grants is used to fund capital expenditure, it is credited to the Statement of Comprehensive Income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

Note 1.7 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.8 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

• it is held for use in delivering services or for administrative purposes
• it is probable that future economic benefits will flow to, or service potential be provided to, the trust
• it is expected to be used for more than one financial year
• the cost of the item can be measured reliably
• the item has cost of at least £5,000, or
• collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Measurement

Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided. Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements.
Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.
Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.
Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	5	77
Plant & machinery	3	25
Transport equipment	7	7
Information technology	4	11
Furniture & fittings	5	10

Note 1.9 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

Software

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use and depreciated historic cost is deemed a reasonable proxy for current value. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Amortisation

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Useful lives of intangible assets

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Information technology	5	8
Websites	5	8
Software licences	5	8
Licences & trademarks	5	8

Note 1.10 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the weighted average cost method.

The Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

Note 1.11 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.12 Financial assets and financial liabilities

Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through leasing arrangements are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses . Credit losses are not recognised for NHS bodies.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Derecognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Note 1.13 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The trust does not apply lease accounting to new contracts for the use of intangible assets.

The Trust determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Trust is reasonably certain to exercise.

The Trust as a lessee

Recognition and initial measurement

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 3.51% applied to new leases commencing in 2023 and 4.72% to new leases commencing in 2024.

The Trust does not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £5,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term or other systematic basis. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

The Trust as a lessor

The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Operating leases

Income from operating leases is recognised on a straight-line basis or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Initial application of IFRS 16 in 2022/23

IFRS 16 Leases as adapted and interpreted for the public sector by HM Treasury was applied to these financial statements with an initial application date of 1 April 2022. IFRS 16 replaced *IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations.

The standard was applied using a modified retrospective approach with the cumulative impact recognised in the income and expenditure reserve on 1 April 2022. Upon initial application, the provisions of IFRS 16 were only applied to existing contracts where they were previously deemed to be a lease or contain a lease under IAS 17 and IFRIC 4. Where existing contracts were previously assessed not to be or contain a lease, these assessments were not revisited.

The Trust as lessee

For continuing leases previously classified as operating leases, a lease liability was established on 1 April 2022 equal to the present value of future lease payments discounted at the Trust's incremental borrowing rate of 0.95%. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the Statement of Financial Position immediately prior to initial application. Hindsight was used in determining the lease term where lease arrangements contained options for extension or earlier termination.

No adjustments were made on initial application in respect of leases with a remaining term of 12 months or less from 1 April 2022 or for leases where the underlying assets had a value below £5,000. No adjustments were made in respect of leases previously classified as finance leases.

The Trust as lessor

Leases of owned assets where the Trust was lessor were unaffected by initial application of IFRS 16. For existing arrangements where the Trust was an intermediate lessor, classification of all continuing sublease arrangements was been reassessed with reference to the right of use asset.

Note 1.14 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2024:

		Nominal rate	Prior year rate
Short-term	Up to 5 years	4.26%	3.27%
Medium-term	After 5 years up to 10 years	4.03%	3.20%
Long-term	After 10 years up to 40 years	4.72%	3.51%
	Exceeding 40 years	4.40%	3.00%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2023:

	Inflation rate	Prior year rate
Year 1	3.60%	7.40%
Year 2	1.80%	0.60%
Into perpetuity	2.00%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's post-employment benefits discount rate of 2.45% in real terms (prior year: minus 1.70%).

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at Note 27.3 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1.15 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but would be disclosed in a note to the accounts where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but would be disclosed as a note to the accounts, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

• possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or

• present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.16 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the “pre-audit” version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.17 Value added tax

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.18 Climate change levy

Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

Note 1.19 Foreign exchange

The functional and presentational currency of the trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

• monetary items are translated at the spot exchange rate on 31 March
• non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
• non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.20 Third party assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

Note 1.21 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.22 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Note 1.23 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2023/24.

Note 1.24 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 14 Regulatory Deferral Accounts Not EU-endorsed. Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to DHSC group bodies.

IFRS 17 Insurance Contracts Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM which is expected to be from April 2025: early adoption is not therefore permitted. The trust has assessed that there will be no material impact.

Note 1.25 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Consolidation of charitable funds
Under IFRS10 (Consolidated Financial Statements) and IAS 27 (Separate Financial Statements) , the trust has assessed its relationship to the charitable fund and determined that it is not a subsidiary. This is because the trust has no power to govern the financial and operating policies of the charitable fund so as to obtain the benefits from its activities for itself, its patients or its staff.

Recognition of an asset under construction

The trust has determined that it should, in its single entity and group accounts, recognise an Asset under Construction (AuC) in respect of the ongoing work undertaken by the Oriel Estates Services LLP on the trust's element of the Oriel building project. This reflects that Oriel Estates Services LLP is building an asset on behalf of the trust and the trust is required to recognise an AuC asset when the IAS 16 criteria for asset recognition are met. Namely, that both:

•It is probable (i.e., more likely than not) that the future economic benefits of the asset will flow to the trust; and

•The trust can measure the costs of the asset reliably.

Note 1.26 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Valuation of Land and Buildings
In line with this policy specialised assets are valued using the Modern Equivalent Asset (MEA) approach. Both physical and functional obsolescence is applied to buildings, to reflect their actual characteristics and value. Gerald Eve provided the trust with a valuation of land and building assets (estimated fair value and remaining useful life). The valuation, based on estimates provided by a suitably qualified professional in accordance with HM Treasury Guidance, leads to revaluation adjustments as described in note 18 to the accounts. Future revaluations of property may result in further changes to the carrying values of non-current assets. It is reasonably possible, on the basis of existing knowledge, that outcomes within the next financial years that are different from the assumptions could require a material adjust to the carrying value of non current assets. There have not been any new assumptions adopted this financial year. The carrying values of land and buildings are disclosed in notes 15 and 16.

Note 2 Operating Segments

The trust reports results by two segments - NHS and Commercial.

	Group		
	NHS	**Commercial**	**Total**
2023/24	£000	£000	**£000**
Income by segment			
Income from activities	257,126	43,875	301,001
Other operating income	39,781	1,625	41,406
	296,907	**45,500**	**342,407**
Operating and other expenditure	(283,531)	(39,884)	(323,415)
Surplus for the year	**13,376**	**5,616**	**18,992**

	Group		
	NHS	**Commercial**	**Total**
2022/23	£000	£000	**£000**
Income by segment			
Income from activities	224,656	40,688	265,344
Other operating income	30,180	893	31,073
	254,836	**41,581**	**296,417**
Operating and other expenditure	(254,601)	(35,093)	(289,694)
Surplus for the year	**235**	**6,488**	**6,723**

Commercial includes results for Moorfields Private, Moorfields UAE, and Moorfields Private West End Limited.

Moorfields UAE includes the impact of foreign exchange fluctuations in its overall results, arising from the conversion of transactions in its functional currency (United Arab Emirates dirhams) to sterling. The net assets of Moorfields UAE are restated on a monthly basis for exchange rate fluctuations, with movements expressed as unrealised gains or losses in other reserve. Moorfields UAE includes the operations of Moorfields Dubai and the share of surplus of Moorfields Eye Centre Abu Dhabi.

Note 3 Operating income from patient care activities (Group)

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

Note 3.1 Income from patient care activities (by nature)	2023/24 £000	2022/23 £000
Income from commissioners under API contracts - variable element*	119,196	-
Income from commissioners under API contracts - fixed element*	75,703	156,974
High cost drugs income from commissioners	45,341	36,673
Private patient income	44,050	40,843
Elective recovery fund	-	11,521
National pay award central funding***	126	3,984
Additional pension contribution central funding*	5,908	5,244
Other clinical income	10,677	10,105
Total income from activities	**301,001**	**265,344**

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2023/25 NHS Payment Scheme documentation.
https://www.england.nhs.uk/pay-syst/nhs-payment-scheme/

**The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. Since 2019/20, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

***In March 2023 the government announced an additional pay offer for 2022/23, in addition to the pay award earlier in the year. Additional funding was made available by NHS England for implementing this pay offer for 2022/23 and the income and expenditure has been included in these accounts as guided by the Department of Health and Social Care and NHS England. In May 2023 the government confirmed this offer will be implemented as a further pay award in respect of 2022/23 based on individuals in employment at 31 March 2023.

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	2023/24 £000	2022/23 £000
NHS England	36,462	36,205
Clinical commissioning groups	-	44,767
Integrated care boards	209,657	133,424
Other NHS providers	10,583	9,895
Non-NHS: private patients	44,050	40,843
Non-NHS: overseas patients (chargeable to patient)	94	182
Non NHS: other	155	28
Total income from activities	**301,001**	**265,344**

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

	2023/24	2022/23
	£000	£000
Income recognised this year	94	182
Cash payments received in-year	103	107
Amounts added to provision for impairment of receivables	-	47
Amounts written off in-year	6	-

Note 4 Other operating income (Group)

	2023/24		
	Contract income	Non-contract income	Total
	£000	£000	£000
Research and development	19,419	-	**19,419**
Education and training	4,489	-	**4,489**
Receipt of capital grants and donations and peppercorn leases	-	7,581	**7,581**
Charitable and other contributions to expenditure	-	72	**72**
Revenue from operating leases	-	488	**488**
Pharmacy Sale	275	-	**275**
Clinical excellence awards	802	-	**802**
Other income to NHS bodies	5,478	-	**5,478**
Other income	2,802	-	**2,802**
Total other operating income	**33,265**	**8,141**	**41,406**

	2022/23		
	Contract income	Non-contract income	Total
	£000	£000	£000
Research and development	12,706	6,735	**19,441**
Education and training	4,064	-	**4,064**
Reimbursement and top up funding	100	-	**100**
Receipt of capital grants and donations and peppercorn leases	-	49	**49**
Revenue from operating leases	-	455	**455**
Pharmacy Sale	160	-	**160**
Clinical excellence awards	879	-	**879**
Other income to NHS bodies	3,839	-	**3,839**
Other income	2,086	-	**2,086**
Total other operating income	**23,834**	**7,239**	**31,073**

Note 5 Income from activities arising from commissioner requested services

The trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2023/24	2022/23
	£000	£000
Income from services designated as commissioner requested services	257,126	224,656
Income from services not designated as commissioner requested services	85,281	71,761
Total	**342,407**	**296,417**

Note 6 Operating leases - Moorfields Eye Hospital NHS Foundation Trust as lessor

This note discloses income generated in operating lease agreements where Moorfields Eye Hospital NHS Foundation Trust is the lessor.

The trust receives income from rental of building space to external parties.

Note 6.1 Operating leases income (Group)

	2023/24	2022/23
	£000	£000
Lease receipts recognised as income in year:		
Minimum lease receipts	488	455
Total in-year operating lease income	**488**	**455**

Note 6.2 Future lease receipts (Group)

	31 March 2024	31 March 2023
	£000	£000
Future minimum lease receipts due in:		
- not later than one year	385	424
- later than one year and not later than two years	385	385
- later than two years and not later than three years	385	385
- later than three years and not later than four years	87	385
- later than four years and not later than five years	-	85
Total	**1,242**	**1,664**

Note 7.1 Operating expenses (Group)

	2023/24	2022/23
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	2,613	2,473
Staff and executive directors costs	168,860	150,568
Remuneration of non-executive directors	195	185
Supplies and services - clinical (excluding drugs costs)	24,567	22,181
Supplies and services - general	16,585	14,662
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	42,559	38,131
Consultancy costs	4,693	3,681
Establishment	8,878	8,307
Premises	9,880	8,136
Transport (including patient travel)	3,336	3,066
Depreciation on property, plant and equipment	15,531	13,377
Amortisation on intangible assets	1,081	1,063
Movement in credit loss allowance: contract receivables / contract assets	1,047	645
Change in provisions discount rate(s)	(9)	(53)
Fees payable to the external auditor		
audit services- statutory audit	121	115
Internal audit costs	131	98
Clinical negligence	780	559
Legal fees	1,339	519
Insurance	1,028	719
Research and development	13,208	14,882
Education and training	2,883	2,643
Expenditure on short term leases	550	139
Redundancy	368	60
Car parking & security	771	557
Other services, eg external payroll	107	99
Other	2,571	2,843
Total	**323,673**	**289,655**

Note 7.2 Limitation on auditor's liability (Group)

The limitation on auditor's liability for external audit work is £2 million (2022/23: £2 million).

Note 8 Impairment of assets (Group)

	2023/24	2022/23
	£000	£000
Impairments charged to the revaluation reserve	2,247	2,199
Total net impairments	**2,247**	**2,199**

Note 9 Employee benefits (Group)

	2023/24 Total £000	2022/23 Total £000
Salaries and wages	121,454	110,175
Social security costs	13,642	11,980
Apprenticeship levy	575	525
Employer's contributions to NHS pensions	19,485	17,250
Pension cost - other	22	17
Temporary staff (including agency)	26,023	21,515
Total staff costs	**181,201**	**161,462**

Note 9.1 Retirements due to ill-health (Group)

During 2023/24 there was 1 early retirement from the trust agreed on the grounds of ill-health (1 in the year ended 31 March 2023). The estimated additional pension liabilities of these ill-health retirements is £311k (£362k in 2022/23).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 10 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

of this valuation set the employer contribution rate payable from April 2024. The Department of Health and Social Care has recently laid Scheme Regulations confirming the employer contribution rate will increase to 23.7% of pensionable pay from 1 April 2024 (previously 20.6%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the

Note 11 Finance income (Group)

Finance income represents interest received on assets and investments in the period.

	2023/24	2022/23
	£000	£000
Interest on bank accounts	2,820	1,565
Other finance income	556	-
Total finance income	**3,376**	**1,565**

Note 12.1 Finance expenditure (Group)

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2023/24	2022/23
	£000	£000
Interest expense:		
Interest on loans from the Department of Health and Social Care	867	916
Interest on lease obligations	369	358
Total interest expense	**1,236**	**1,274**
Unwinding of discount on provisions	3	(4)
Other finance costs	556	-
Total finance costs	**1,795**	**1,270**

Note 13 Other gains (Group)

	2023/24	2022/23
	£000	£000
Gains on disposal of assets	185	46
Total gains on disposal of assets	**185**	**46**

Note 14.1 Intangible assets - 2023/24

Group and Trust	Software licences £000	Internally generated information technology £000	Websites £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2023 - brought forward	**7,078**	**-**	**66**	**7**	**7,151**
Additions	48	-	-	-	**48**
Remeasurements - retranslation gains on foreign operations	(9)	-	-	(7)	**(16)**
Disposals / derecognition	(69)	-	-	-	**(69)**
Valuation / gross cost at 31 March 2024	**7,048**	**-**	**66**	**0**	**7,114**
Amortisation at 1 April 2023 - brought forward	**3,862**	**-**	**48**	**-**	**3,910**
Provided during the year	1,068	-	13	-	**1,081**
Remeasurements - retranslation gains on foreign operations	(4)	-	-	-	**(4)**
Disposals / derecognition	(69)	-	-	-	**(69)**
Amortisation at 31 March 2024	**4,857**	**-**	**61**	**-**	**4,918**
Net book value at 31 March 2024	**2,190**	**-**	**5**	**0**	**2,196**
Net book value at 1 April 2023	**3,215**	**-**	**18**	**7**	**3,241**

Note 14.2 Intangible assets - 2022/23

Group and Trust	Software licences £000	Internally generated information technology £000	Websites £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2022 - as previously stated	**5,780**	**4,976**	**66**	**1,946**	**12,768**
Additions	46	-	-	-	**46**
Remeasurements - retranslation gains on foreign operations	58	-	-	(6)	**52**
Reclassifications	1,933	-	-	(1,933)	**-**
Disposals / derecognition	(739)	(4,976)	-	-	**(5,715)**
Valuation / gross cost at 31 March 2023	**7,078**	**-**	**66**	**7**	**7,151**
Amortisation at 1 April 2022 - as previously stated	**3,508**	**4,976**	**35**	**-**	**8,519**
Provided during the year	1,050	-	13	-	**1,063**
Remeasurements - retranslation gains on foreign operations	43	-	-	-	**43**
Disposals / derecognition	(739)	(4,976)	-	-	**(5,715)**
Amortisation at 31 March 2023	**3,862**	**-**	**48**	**-**	**3,910**
Net book value at 31 March 2023	**3,215**	**-**	**18**	**7**	**3,241**
Net book value at 1 April 2022	**2,271**	**-**	**31**	**1,946**	**4,249**

Note 15.1 Property, plant and equipment - 2023/24

Group	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2023 - brought forward	**24,730**	**54,986**	**67,831**	**42,539**	**5**	**8,301**	**1,508**	**199,900**
Additions	-	4,675	38,946	7,149	-	1,568	106	**52,444**
Impairments	(1,241)	(1,006)	-	-	-	-	-	**(2,247)**
Revaluations	-	1,078	-	-	-	-	-	**1,078**
Write out Depreciation		(2,881)						**(2,881)**
Remeasurements - retranslation gains on foreign operations	-	(8)	(7)	(87)	-	(4)	(3)	**(109)**
Reclassifications	-	3,084	(3,493)	391	-	18	-	**-**
Disposals / derecognition	-	-	(10,000)	(1,979)	-	(1,336)	-	**(13,315)**
Valuation/gross cost at 31 March 2024	**23,489**	**59,928**	**93,277**	**48,013**	**5**	**8,547**	**1,611**	**234,870**
Accumulated depreciation at 1 April 2023 - brought forward	**-**	**2,008**	**-**	**20,683**	**5**	**5,856**	**652**	**29,204**
Provided during the year	-	3,919	-	4,325	-	936	185	**9,365**
Revaluations	-	(2,881)	-	-	-	-	-	**(2,881)**
Remeasurements - retranslation gains on foreign operations	-	(6)	-	(68)	-	(3)	(2)	**(79)**
Disposals / derecognition	-	-	-	(1,954)	-	(1,334)	-	**(3,288)**
Accumulated depreciation at 31 March 2024	**-**	**3,040**	**-**	**22,986**	**5**	**5,455**	**835**	**32,321**
Net book value at 31 March 2024	**23,489**	**56,888**	**93,277**	**25,027**	**-**	**3,091**	**777**	**202,549**
Net book value at 1 April 2023	**24,730**	**52,978**	**67,831**	**21,856**	**-**	**2,444**	**857**	**170,696**

Note 15.2 Property, plant and equipment - 2022/23

Group	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2022 - as previously stated	**26,037**	**47,647**	**12,809**	**38,485**	**5**	**8,433**	**1,420**	**134,836**
Additions	-	6,928	55,022	6,783	-	1,015	577	**70,325**
Impairments	(1,307)	(892)	-	-	-	-	-	**(2,199)**
Revaluations	-	3,062	-	-	-	-	-	**3,062**
Remeasurements - retranslation gains on foreign operations	-	42	-	265	-	6	16	**329**
Disposals / derecognition	-	(1,801)	-	(2,994)	-	(1,153)	(505)	**(6,453)**
Valuation/gross cost at 31 March 2023	**24,730**	**54,986**	**67,831**	**42,539**	**5**	**8,301**	**1,508**	**199,900**
Accumulated depreciation at 1 April 2022 - as previously stated	**-**	**1,898**	**-**	**19,619**	**5**	**6,254**	**1,026**	**28,802**
Provided during the year	-	2,991	-	3,780	-	745	116	**7,632**
Revaluations	-	(1,116)	-	-	-	-	-	**(1,116)**
Remeasurements - retranslation gains on foreign operations	-	36	-	231	-	10	15	**292**
Disposals / derecognition	-	(1,801)	-	(2,947)	-	(1,153)	(505)	**(6,406)**
Accumulated depreciation at 31 March 2023	**-**	**2,008**	**-**	**20,683**	**5**	**5,856**	**652**	**29,204**
Net book value at 31 March 2023	**24,730**	**52,978**	**67,831**	**21,856**	**-**	**2,444**	**857**	**170,696**
Net book value at 1 April 2022	**26,037**	**45,749**	**12,809**	**18,866**	**-**	**2,178**	**395**	**106,034**

Note 15.3 Property, plant and equipment financing - 31 March 2024

Group	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	23,489	47,253	86,277	24,064	3,091	749	**184,923**
Owned - donated/granted	-	9,635	7,000	963	-	28	**17,626**
NBV total at 31 March 2024	**23,489**	**56,888**	**93,277**	**25,027**	**3,091**	**777**	**202,549**

Note 15.4 Property, plant and equipment financing - 31 March 2023

Group	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	24,730	42,926	67,831	21,270	2,444	822	**160,023**
Owned - donated/granted	-	10,052	-	586	-	35	**10,673**
NBV total at 31 March 2023	**24,730**	**52,978**	**67,831**	**21,856**	**2,444**	**857**	**170,696**

Note 16.1 Property, plant and equipment - 2023/24

Trust	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2023 - brought forward	**24,730**	**54,060**	**64,959**	**42,485**	**5**	**8,170**	**1,234**	**195,643**
Additions	-	4,665	39,525	7,060	-	1,537	106	**52,893**
Impairments	(1,241)	(1,006)	-	-	-	-	-	**(2,247)**
Revaluations	-	1,078	-	-	-	-	-	**1,078**
Write out Depreciation	-	(2,881)	-	-	-	-	-	**(2,881)**
Remeasurements - retranslation gains on foreign operations	-	(8)	(7)	(87)	-	(4)	(3)	**(109)**
Reclassifications	-	212	(621)	391	-	18	-	**-**
Disposals / derecognition	-	-	(10,000)	(1,979)	-	(1,336)	-	**(13,315)**
Valuation/gross cost at 31 March 2024	**23,489**	**56,120**	**93,856**	**47,870**	**5**	**8,385**	**1,337**	**231,062**
Accumulated depreciation at 1 April 2023 - brought forward	**-**	**1,882**	**-**	**20,585**	**5**	**5,821**	**642**	**28,935**
Provided during the year	-	3,534	-	4,283	-	917	131	**8,865**
Revaluations	-	(2,881)	-	-	-	-	-	**(2,881)**
Remeasurements - retranslation gains on foreign operations	-	(6)	-	(68)	-	(3)	(2)	**(79)**
Disposals / derecognition	-	-	-	(1,954)	-	(1,334)	-	**(3,288)**
Accumulated depreciation at 31 March 2024	**-**	**2,529**	**-**	**22,846**	**5**	**5,401**	**771**	**31,552**
Net book value at 31 March 2024	**23,489**	**53,591**	**93,856**	**25,024**	**-**	**2,984**	**566**	**199,510**
Net book value at 1 April 2023	**24,730**	**52,178**	**64,959**	**21,900**	**-**	**2,349**	**592**	**166,708**

Note 16.2 Property, plant and equipment - 2022/23

Trust	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2022 - as previously stated	**26,037**	**47,485**	**11,416**	**38,352**	**5**	**8,389**	**1,411**	**133,095**
Additions	-	6,164	53,543	6,862	-	928	312	**67,809**
Impairments	(1,307)	(892)	-	-	-	-	-	**(2,199)**
Revaluations	-	3,062	-	-	-	-	-	**3,062**
Remeasurements - retranslation gains on foreign operations	-	42	-	265	-	6	16	**329**
Disposals / derecognition	-	(1,801)	-	(2,994)	-	(1,153)	(505)	**(6,453)**
Valuation/gross cost at 31 March 2023	**24,730**	**54,060**	**64,959**	**42,485**	**5**	**8,170**	**1,234**	**195,643**
Accumulated depreciation at 1 April 2022 - as previously stated	**-**	**1,836**	**-**	**19,585**	**5**	**6,231**	**1,023**	**28,680**
Provided during the year	-	2,927	-	3,716	-	733	109	**7,485**
Revaluations	-	(1,116)	-	-	-	-	-	**(1,116)**
Remeasurements - retranslation gains on foreign operations	-	36	-	231	-	10	15	**292**
Disposals / derecognition	-	(1,801)	-	(2,947)	-	(1,153)	(505)	**(6,406)**
Accumulated depreciation at 31 March 2023	**-**	**1,882**	**-**	**20,585**	**5**	**5,821**	**642**	**28,935**
Net book value at 31 March 2023	**24,730**	**52,178**	**64,959**	**21,900**	**-**	**2,349**	**592**	**166,708**
Net book value at 1 April 2022	**26,037**	**45,649**	**11,416**	**18,767**	**-**	**2,158**	**388**	**104,415**

Note 16.3 Property, plant and equipment financing - 31 March 2024

Trust	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	23,489	43,956	86,856	24,061	2,984	538	**181,884**
Owned - donated / granted	-	9,635	7,000	963	-	28	**17,626**
Total net book value at 31 March 2024	**23,489**	**53,591**	**93,856**	**25,024**	**2,984**	**566**	**199,510**

Note 16.4 Property, plant and equipment financing - 31 March 2023

Trust	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	24,730	42,126	64,959	21,314	2,349	557	**156,035**
Owned - donated / granted	-	10,052	-	586	-	35	**10,673**
Total net book value at 31 March 2023	**24,730**	**52,178**	**64,959**	**21,900**	**2,349**	**592**	**166,708**

Note 17 Donations of property, plant and equipment

During the year Moorfields Eye Charity donated £140k to purchase medical equipment. In addition a donation of £7m was also made towards Project Oriel. Oriel will see the relocation of all services at Moorfields Eye Hospital on City Road and the UCL Institute of Ophthalmology on Barth Street to a new integrated facility in Camden.

Note 18 Revaluations of property, plant and equipment

Valuations were carried out on properties at 162 City Road, the Richard Desmond Children's Eye Centre, Cayton Street, Northwick Park and Kemp House in 2023/24. The valuation was carried out by Gerald Eve, an external firm of chartered surveyors, with the basis of valuation being Modern Equivalent Asset.

The valuation exercise was carried in March 2024 with a valuation date of 31 March 2024. In applying the Royal Institute of Chartered Surveyors (RCIS) Valuation Global Standards 2020 ('Red Book').

The valuation resulted in a net downwards (loss) movement. Land was revalued down by £1,241k and buildings revalued up £72k. Both amounts were taken to the revaluation reserve.

Fit out costs for properties that the trust leases did not form part of the revaluation exercise as the carrying value of these assets are not material and assessed to not be impacted by any changes in market value.

Note 19 Leases - Moorfields Eye Hospital NHS Foundation Trust as a lessee

This note details information about leases for which the Trust is a lessee.

The Trust occupies space in over 20 leased properties and leased 5 items of medical equipment to provide patient care.

The Trust has applied IFRS 16 to account for lease arrangements from 1 April 2022 without restatement of comparatives.

Note 19.1 Right of use assets - 2023/24

Group	Property (land and buildings) £000	Plant & machinery £000	Total £000	Of which: leased from DHSC group bodies £000
Valuation / gross cost at 1 April 2023 - brought forward	**41,721**	**1,186**	**42,907**	**16,127**
Additions	1,521	43	**1,564**	-
Remeasurements of the lease liability	687	-	**687**	121
Movements in provisions for restoration / removal costs	179	-	**179**	24
Disposals / derecognition	(856)	(273)	**(1,129)**	(856)
Remeasurements - retranslation losses on foreign operations	(87)	-	**(87)**	-
Valuation/gross cost at 31 March 2024	**43,165**	**956**	**44,121**	**15,416**
Accumulated depreciation at 1 April 2023 - brought forward	**5,633**	**161**	**5,794**	**2,462**
Provided during the year	5,928	238	**6,166**	2,280
Disposals / derecognition	(261)	(105)	**(366)**	(261)
Remeasurements - retranslation losses on foreign operations	(21)	-	**(21)**	-
Accumulated depreciation at 31 March 2024	**11,279**	**294**	**11,573**	**4,481**
Net book value at 31 March 2024	**31,866**	**662**	**32,548**	**10,935**
Net book value at 1 April 2023	**36,088**	**1,025**	**37,113**	**13,665**

Net book value of right of use assets leased from other NHS providers	10,784
Net book value of right of use assets leased from other DHSC group bodies	151

Note 19.2 Right of use assets - 2022/23

Group	Property (land and buildings) £000	Plant & machinery £000	Total £000	Of which: leased from DHSC group bodies £000
IFRS 16 implementation - adjustments for existing operating leases / subleases	37,214	273	**37,487**	16,079
Additions	4,387	913	**5,300**	-
Movements in provisions for restoration / removal costs	624	-	**624**	48
Remeasurements - retranslation losses on foreign operations	(504)	-	**-**	-
Valuation/gross cost at 31 March 2023	**41,721**	**1,186**	**43,411**	**16,127**
Provided during the year	5,584	161	**5,745**	2,462
Remeasurements - retranslation losses on foreign operations	49	-	**-**	-
Accumulated depreciation at 31 March 2023	**5,633**	**161**	**5,745**	**2,462**
Net book value at 31 March 2023	**36,088**	**1,025**	**37,666**	**13,665**
Net book value at 1 April 2022	**-**	**-**	**-**	**-**

Net book value of right of use assets leased from other NHS providers	12,810
Net book value of right of use assets leased from other DHSC group bodies	855

Note 19.3 Right of use assets - 2023/24

Trust	Property (land and buildings) £000	Plant & machinery £000	Total £000	Of which: leased from DHSC group bodies £000
Valuation / gross cost at 1 April 2023 - brought forward	**34,358**	**273**	**34,631**	**16,127**
Additions	1,521	-	**1,521**	-
Remeasurements of the lease liability	687	-	**687**	121
Movements in provisions for restoration / removal costs	174	-	**174**	24
Disposals / derecognition	(856)	(273)	**(1,129)**	(856)
Remeasurements - retranslation losses on foreign operations	(87)	-	**(87)**	-
Valuation/gross cost at 31 March 2024	**35,797**	**-**	**35,797**	**15,416**
Accumulated depreciation at 1 April 2023 - brought forward	5,020	55	**5,075**	2,462
Provided during the year	5,309	50	**5,359**	2,280
Disposals / derecognition	(261)	(105)	**(366)**	(261)
Remeasurements - retranslation losses on foreign operations	(21)	-	**(21)**	-
Accumulated depreciation at 31 March 2024	**10,047**	**-**	**10,047**	**4,481**
Net book value at 31 March 2024	**25,750**	**-**	**25,750**	**10,935**
Net book value at 1 April 2023	**29,338**	**218**	**29,556**	**13,665**
Net book value of right of use assets leased from other NHS providers				10,784
Net book value of right of use assets leased from other DHSC group bodies				151

Note 19.4 Right of use assets - 2022/23

Trust	Property (land and buildings) £000	Plant & machinery £000	Total £000	Of which: leased from DHSC group bodies £000
IFRS 16 implementation - adjustments for existing operating leases / subleases	29,883	273	**30,156**	16,079
Additions	4,387	-	**4,387**	-
Movements in provisions for restoration / removal costs	592	-	**592**	48
Remeasurements - retranslation losses on foreign operations	(504)	-	**(504)**	-
Valuation/gross cost at 31 March 2023	**34,358**	**273**	**34,631**	**16,127**
Provided during the year	4,971	55	**5,026**	2,462
Remeasurements - retranslation losses on foreign operations	49	-	**49**	-
Accumulated depreciation at 31 March 2023	**5,020**	**55**	**5,075**	**2,462**
Net book value at 31 March 2023	**29,338**	**218**	**29,556**	**13,665**
Net book value at 1 April 2022	**-**	**-**	**-**	**-**
Net book value of right of use assets leased from other NHS providers				12,810
Net book value of right of use assets leased from other DHSC group bodies				855

Note 19.5 Revaluations of right of use assets

The trust has applied the HM Treasury application guidance and has assessed that the cost model can function as an approximate proxy to the current value in use. As a result there has been no revaluation required to update the full replacement cost of the right of use assets.

Note 19.6 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note 26.1.

	Group		Trust	
	2023/24	2022/23	2023/24	2022/23
	£000	£000	£000	£000
Carrying value at 1 April	**37,144**	**-**	**29,474**	**-**
IFRS 16 implementation - adjustments for existing operating leases		37,487		30,156
Lease additions	1,564	5,300	1,521	4,387
Lease liability remeasurements	687	-	687	-
Interest charge arising in year	369	358	299	286
Early terminations	(765)	-	(765)	-
Lease payments (cash outflows)	(5,978)	(5,654)	(5,130)	(5,008)
Other changes	(81)	(347)	(81)	(347)
Carrying value at 31 March	**32,940**	**37,144**	**26,005**	**29,474**

Lease payments for short term leases, leases of low value underlying assets and variable lease payments not dependent on an index or rate are recognised in operating expenditure.
These payments are disclosed in Note 7.1. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Note 19.7 Maturity analysis of future lease payments at 31 March 2024

	Group		Trust	
	Total	Of which leased from DHSC group bodies:	Total	Of which leased from DHSC group bodies:
	31 March 2024	31 March 2024	31 March 2024	31 March 2024
	£000	£000	£000	£000
Undiscounted future lease payments payable in:				
- not later than one year;	5,875	2,305	5,026	2,305
- later than one year and not later than five years;	16,268	6,268	13,820	6,268
- later than five years.	12,314	2,869	8,369	2,869
Total gross future lease payments	**34,457**	**11,442**	**27,215**	**11,442**
Finance charges allocated to future periods	(1,517)	(362)	(1,210)	(362)
Net lease liabilities at 31 March 2024	**32,940**	**11,080**	**26,005**	**11,080**
Of which:				
Leased from other NHS providers		10,930		10,930
Leased from other DHSC group bodies		150		150

Note 19.8 Maturity analysis of future lease payments at 31 March 2023

	Group		Trust	
	Total	Of which leased from DHSC group bodies:	Total	Of which leased from DHSC group bodies:
	31 March 2023	31 March 2023	31 March 2023	31 March 2023
	£000	£000	£000	£000
Undiscounted future lease payments payable in:				
- not later than one year;	5,916	2,438	5,077	2,438
- later than one year and not later than five years;	19,099	8,133	16,582	8,133
- later than five years.	13,663	3,706	8,977	3,706
Total gross future lease payments	**38,678**	**14,277**	**30,636**	**14,277**
Finance charges allocated to future periods	(1,534)	(479)	(1,162)	(479)
Net finance lease liabilities at 31 March 2023	**37,144**	**13,798**	**29,474**	**13,798**
Of which:				
Leased from other NHS providers		12,940		12,940
Leased from other DHSC group bodies		858		858

Note 20.1 Investments in associates and joint ventures

	Group		Trust	
	2023/24	2022/23	2023/24	2022/23
	£000	£000	£000	£000
Carrying value at 1 April - brought forward	**1,676**	**1,029**	**1,094**	**2,241**
Acquisitions in year	2,158	-	2,158	-
Share of profit	477	602	-	-
Profit element in Joint Venture	579	-		
Other equity movements	(37)	45	(35)	45
Carrying value at 31 March	**4,853**	**1,676**	**3,217**	**2,286**

Note 20.2 Investments in Subsidiaries

	Group		Trust	
	2023/24	2022/23	2023/24	2022/23
	£000	£000	£000	£000
Carrying value at 1 April - brought forward	**-**	**-**	**1,192**	**1,192**
Acquisitions in year	-	-	-	-
Share of profit	-	-	-	-
Other equity movements	-	-	-	-
Carrying value at 31 March	**-**	**-**	**1,192**	**1,192**

Note 21.1 Inventories

	Group		Trust	
	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
Drugs	2,255	1,578	2,227	1,550
Consumables	1,405	1,220	1,405	1,220
Energy	20	20	20	20
Other	850	927	850	927
Total inventories	**4,530**	**3,745**	**4,502**	**3,717**
of which:				
Held at fair value less costs to sell	-	-		

Inventories recognised in expenses for the year were £58,727k (2022/23: £53,113k). Write-down of inventories recognised as expenses for the year were £0k (2022/23: £0k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2023/24 the Trust received £72k of items purchased by DHSC (2022/23: £0k).

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 22.1 Receivables

	Group		Trust	
	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
Current				
Contract receivables	26,838	27,169	26,817	26,743
Allowance for impaired contract receivables / assets	(3,657)	(2,916)	(3,655)	(2,914)
Prepayments (non-PFI)	4,811	4,159	4,254	3,990
Interest receivable	310	192	1,060	455
PDC dividend receivable	-	257	-	257
VAT receivable	1,601	633	1,601	633
Clinician pension tax provision reimbursement	3	-	3	-
Other receivables	721	653	488	421
Total current receivables	**30,627**	**30,147**	**30,568**	**29,585**
Non-current				
Loan to Oriel Estates Services LLP	20,199		20,199	
Other receivables *	406	517	4,556	4,517
Total non-current receivables	**20,605**	**517**	**24,755**	**4,517**
Of which receivable from NHS and DHSC group bodies:				
Current	10,142	13,212		
Non-current	406	517		

* of this £20,199k relates to loans made to Oriel Estates Services LLP, one of the Trust's joint ventures, to fund the construction of a new healthcare facility

Note 22.2 Allowances for credit losses - 2023/24

	Group	Trust
	Contract receivables and contract assets	Contract receivables and contract assets
	£000	£000
Allowances as at 1 Apr 2023 - brought forward	**2,916**	**2,914**
New allowances arising	1,060	1,060
Utilisation of allowances (write offs)	(306)	(306)
Foreign exchange and other changes	(13)	(13)
Allowances as at 31 Mar 2024	**3,657**	**3,655**

Allowances for credit losses have been calculated against each class of receivable using specific knowledge, age of receivable and past experience.

Note 22.3 Allowances for credit losses - 2022/23

	Group	Trust
	Contract receivables and contract assets	Contract receivables and contract assets
	£000	£000
Allowances as at 1 Apr 2022 - as previously stated	**2,298**	**2,296**
New allowances arising	675	**675**
Utilisation of allowances (write offs)	(27)	**(27)**
Foreign exchange and other changes	(30)	**(30)**
Allowances as at 31 Mar 2023	**2,916**	**2,914**

Note 23.1 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	Group		Trust	
	2023/24	2022/23	2023/24	2022/23
	£000	£000	£000	£000
At 1 April	**60,571**	**69,261**	**60,095**	**68,947**
Net change in year	10,173	(8,690)	10,221	(8,852)
At 31 March	**70,744**	**60,571**	**70,316**	**60,095**
Broken down into:				
Cash at commercial banks and in hand	3,848	4,498	3,420	**4,022**
Cash with the Government Banking Service	66,896	56,073	66,896	**56,073**
Total cash and cash equivalents as in SoFP	**70,744**	**60,571**	**70,316**	**60,095**
Total cash and cash equivalents as in SoCF	**70,744**	**60,571**	**70,316**	**60,095**

Note 23.2 Third party assets held by the trust

Moorfields Eye Hospital NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	Group and Trust	
	31 March 2024	31 March 2023
	£000	£000
Bank balances	64	62
Total third party assets	**64**	**62**

Note 24.1 Trade and other payables

	Group		Trust	
	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
Current				
Trade payables	22,187	22,299	20,933	21,158
Capital payables	2,836	8,160	2,836	8,160
Accruals	13,963	20,125	13,689	19,917
Receipts in advance and payments on account	13	13	13	13
Social security costs	1,705	1,625	1,653	1,529
VAT payables	92	35	-	-
Other taxes payable	1,511	1,361	1,742	1,472
PDC dividend payable	225	-	225	-
Pension contributions payable	2,001	1,756	2,001	1,756
Other payables	1,412	1,320	1,209	1,192
Total current trade and other payables	**45,945**	**56,694**	**44,301**	**55,197**
Non-current				
Other payables*	24,363	1,291	24,363	1,291
Total non-current trade and other payables	**24,363**	**1,291**	**24,363**	**1,291**
Of which payables from NHS and DHSC group bodies:				
Current	7,259	7,043	7,259	7,043

* of this £22,945k relates to amounts owed to Oriel Estates Services, LLP, one of the Trust's joint ventures, in relation to the provision of a fully managed healthcare facility. Under the long terms contract with the Trust, this amount will start to be paid down once the facility is complete and provision of the service begins

Note 24.2 Early retirements in NHS payables above

The payables note above includes amounts in relation to early retirements as set out below:

Group and Trust	31 March 2024 £000	31 March 2024 Number	31 March 2023 £000	31 March 2023 Number
- to buy out the liability for early retirements over 5 years	-		-	
- number of cases involved		-		-

Note 25 Other liabilities

	Group		Trust	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	£000	£000	£000	£000
Current				
Deferred income: contract liabilities	1,700	1,905	1,700	1,905
Total other current liabilities	**1,700**	**1,905**	**1,700**	**1,905**

Note 26.1 Borrowings

	Group		Trust	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	£000	£000	£000	£000
Current				
Loans from DHSC	1,880	1,880	1,880	1,880
Lease liabilities	5,580	5,624	4,791	4,853
Total current borrowings	**7,460**	**7,504**	**6,671**	**6,733**
Non-current				
Loans from DHSC	26,438	28,261	26,438	28,261
Lease liabilities	27,360	31,520	21,215	24,621
Total non-current borrowings	**53,798**	**59,781**	**47,653**	**52,882**

Note 26.2 Reconciliation of liabilities arising from financing activities (Group)

Group - 2023/24	Loans from DHSC £000	Lease liabilities £000	Total £000
Carrying value at 1 April 2023	**30,141**	**37,144**	**67,285**
Cash movements:			
Financing cash flows - payments and receipts of principal	(1,823)	(5,609)	**(7,432)**
Financing cash flows - payments of interest	(867)	(369)	**(1,236)**
Non-cash movements:			
Additions	-	1,564	**1,564**
Lease liability remeasurements	-	687	**687**
Application of effective interest rate	867	369	**1,236**
Early terminations	-	(765)	**(765)**
Other changes	-	(81)	**(81)**
Carrying value at 31 March 2024	**28,318**	**32,940**	**61,258**

Group - 2022/23	Loans from DHSC £000	Lease liabilities £000	Total £000
Carrying value at 1 April 2022	**31,977**	**-**	**31,977**
Cash movements:			
Financing cash flows - payments and receipts of principal	(1,823)	(5,296)	**(7,119)**
Financing cash flows - payments of interest	(929)	(358)	**(1,287)**
Non-cash movements:			
IFRS 16 implementation - adjustments for existing operating leases / subleases		37,487	**37,487**
Additions	-	5,300	**5,300**
Application of effective interest rate	916	358	**1,274**
Other changes	-	(347)	**(347)**
Carrying value at 31 March 2023	**30,141**	**37,144**	**67,285**

Note 26.3 Reconciliation of liabilities arising from financing activities

Trust - 2023/24	Loans from DHSC £000	Lease liabilities £000	Total £000
Carrying value at 1 April 2023	**30,141**	**29,474**	**59,615**
Cash movements:			
Financing cash flows - payments and receipts of principal	(1,823)	(4,830)	**(6,653)**
Financing cash flows - payments of interest	(867)	(299)	**(1,166)**
Non-cash movements:			
Additions	-	1,521	**1,521**
Lease liability remeasurements	-	687	**687**
Application of effective interest rate	867	299	**1,166**
Early terminations	-	(765)	**(765)**
Other changes	-	(81)	**(81)**
Carrying value at 31 March 2024	**28,318**	**26,006**	**54,324**

Trust - 2022/23	Loans from DHSC £000	Lease liabilities £000	Total £000
Carrying value at 1 April 2022	**31,977**	**-**	**31,977**
Cash movements:			
Financing cash flows - payments and receipts of principal	**(1,823)**	**(4,723)**	**(6,546)**
Financing cash flows - payments of interest	**(929)**	**(286)**	**(1,215)**
Non-cash movements:			
IFRS 16 implementation - adjustments for existing operating leases / subleases	**-**	**30,156**	**30,156**
Additions	**-**	**4,388**	**4,388**
Application of effective interest rate	**916**	**286**	**1,202**
Other changes	**-**	**(347)**	**(347)**
Carrying value at 31 March 2023	**30,141**	**29,474**	**59,615**

Note 27.1 Provisions for liabilities and charges analysis (Group)

Group	Pensions: early departure costs	Legal claims	Other	Total
	£000	£000	£000	£000
At 1 April 2023	**207**	**1,447**	**3,770**	**5,424**
Change in the discount rate	(9)	-	(88)	**(97)**
Arising during the year	4	409	191	**604**
Utilised during the year	(30)	(1,261)	(36)	**(1,327)**
Reversed unused	-	(80)	(476)	**(556)**
Unwinding of discount	3	-	27	**30**
At 31 March 2024	**175**	**515**	**3,388**	**4,078**
Expected timing of cash flows:				
- not later than one year;	35	515	255	**805**
- later than one year and not later than five years;	121	-	2,118	**2,239**
- later than five years.	19	-	1,015	**1,034**
Total	**175**	**515**	**3,388**	**4,078**

Staff pensions are calculated using a formula supplied by the NHS Pensions Agency. These pensions are the costs of early retirement of staff resulting from reorganisation.

Legal claims relate to an action against the trust which is not covered by the NHS Litigation Authority. IAS 37 allows for the non-disclosure of further information which may prejudice the outcome of litigation.

Other provisions includes sums held in respect of additional charges arising from Clinicians pension tax scheme , dilapidations associated with leases and other contractual challenges. No further information has been disclosed as IAS 37 allows the withholding of information which may seriously prejudice the trust.

Note 27.2 Provisions for liabilities and charges analysis (Trust)

Trust	Pensions: early departure costs	Legal claims	Other	Total
	£000	£000	£000	£000
At 1 April 2023	**207**	**1,447**	**3,596**	**5,250**
Change in the discount rate	(9)	-	(88)	**(97)**
Arising during the year	**4**	**409**	**185**	**598**
Utilised during the year	**(30)**	**(1,261)**	**(36)**	**(1,327)**
Reversed unused	**-**	**(80)**	**(476)**	**(556)**
Unwinding of discount	**3**	**-**	**27**	**30**
At 31 March 2024	**175**	**515**	**3,208**	**3,898**
Expected timing of cash flows:				
- not later than one year;	**35**	**515**	**255**	**805**
- later than one year and not later than five years;	**121**	**-**	**2,118**	**2,239**
- later than five years.	**19**	**-**	**835**	**854**
Total	**175**	**515**	**3,208**	**3,898**

Note 27.3 Clinical negligence liabilities

At 31 March 2024, £8,811k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Moorfields Eye Hospital NHS Foundation Trust (31 March 2023: £8,341k).

Note 28 Contractual capital commitments

	Group		Trust	
	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
Property, plant and equipment	191,737	222,866	191,737	222,866
Intangible assets	-	1	-	1
Total	**191,737**	**222,867**	**191,737**	**222,867**

Note 29 Financial instruments

Note 29.1 Financial risk management

IFRS 7 Financial Instruments Disclosures, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities.

Because of the continuing service-provider relationship that the foundation trust has with integrated care boards, and the way those bodies are financed, the foundation trust is not exposed to the degree of financial risk faced by other business entities. Also, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies.

The foundation trust has power to borrow in accordance with its provider licence issued by the independent regulator for foundation trusts. Financial assets and liabilities generated by day-to-day operational activities are not held to change the risks facing the foundation trust in undertaking its activities.

Liquidity risk

A large proportion of the foundation trust's net operating costs are incurred under annual service agreements with clinical commissioning Groups, which are financed from resources voted annually by Parliament. Capital expenditure has been financed from internal funds and donations. The trust has substantial cash balances and is not currently exposed to any liquidity risk associated with inability to pay creditors.

Currency risk and interest rate risk

The foundation trust has a branch in the United Arab Emirates (Dubai and Abu Dhabi), with transactions conducted in United Arab Emirates dirhams. The branch accounts are consolidated into the overall trust accounts, converted using spot and average exchange rates as appropriate, with exchange gains or losses reported in other equity reserve. Due to the size of the operation, and the fact that the majority of cost and income are denoted in local currency, the trust has limited exposure to currency exchange fluctuations.

The trust is not exposed to changes in interest rates as all borrowings have been taken out at fixed rates for a fixed period from Independent Trust Financing Facility.

Credit risk

As majority of the trust's income comes from legally binding contracts with other government departments and NHS bodies, the trust is not exposed to major concentrations of credit risk.

Note 29.2 Carrying values of financial assets (Group)

Carrying values of financial assets as at 31 March 2024	Held at amortised cost £000
Trade and other receivables excluding non financial assets	44,820
Other investments / financial assets	4,853
Cash and cash equivalents	70,744
Total at 31 March 2024	**120,417**

Carrying values of financial assets as at 31 March 2023	Held at amortised cost £000
Trade and other receivables excluding non financial assets	24,906
Other investments / financial assets	1,676
Cash and cash equivalents	60,571
Total at 31 March 2023	**87,153**

Note 29.3 Carrying values of financial assets (Trust)

Carrying values of financial assets as at 31 March 2024	Held at amortised cost £000
Trade and other receivables excluding non financial assets	49,082
Other investments / financial assets	5,600
Cash and cash equivalents	70,316
Total at 31 March 2024	**124,998**

Carrying values of financial assets as at 31 March 2023	Held at amortised cost £000
Trade and other receivables excluding non financial assets	28,705
Other investments / financial assets	3,477
Cash and cash equivalents	60,095
Total at 31 March 2023	**92,277**

Amortised costs is a resonable proxy for carrying value

Note 29.4 Carrying values of financial liabilities (Group)

Carrying values of financial liabilities as at 31 March 2024	Held at amortised cost
	£000
Loans from the Department of Health and Social Care	28,318
Obligations under leases	32,940
Trade and other payables excluding non financial liabilities	65,123
Provisions under contract	175
Total at 31 March 2024	**126,556**

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost
	£000
Loans from the Department of Health and Social Care	30,141
Obligations under leases	37,144
Trade and other payables excluding non financial liabilities	53,747
Provisions under contract	207
Total at 31 March 2023	**121,239**

Note 29.5 Carrying values of financial liabilities (Trust)

Carrying values of financial liabilities as at 31 March 2024	Held at amortised cost
	£000
Loans from the Department of Health and Social Care	28,318
Obligations under leases	26,006
Trade and other payables excluding non financial liabilities	63,006
Provisions under contract	175
Total at 31 March 2024	**117,505**

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost
	£000
Loans from the Department of Health and Social Care	30,141
Obligations under leases	29,474
Trade and other payables excluding non financial liabilities	52,270
Provisions under contract	207
Total at 31 March 2023	**112,092**

Amortised costs is a resonable proxy for carrlying value

Note 29.6 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	Group		Trust	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	£000	£000	£000	£000
In one year or less	72,915	61,574	69,949	58,706
In more than one year but not more than five years	23,682	26,502	21,123	23,984
In more than five years	31,479	34,698	27,534	30,012
Total	**128,076**	**122,774**	**118,606**	**112,702**

Note 30 Losses and special payments

	2023/24		2022/23	
Group and trust	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	-	-	1	4
Fruitless payments and constructive losses	93	19	90	5
Bad debts and claims abandoned	471	284	213	61
Total losses	**564**	**303**	**304**	**70**

Note 31 Related parties

Moorfields Eye Hospital NHS Foundation Trust is a public benefit corporation established under the Health and Social Care (Community Health and Standards) Act 2003.

During the year none of the board members or members of the key management staff, or parties related to them, has undertaken any material transactions with Moorfields Eye Hospital NHS Foundation Trust other than their employment remuneration where applicable.

The Department of Health an Social Care is regarded as controlling party. During the year Moorfields Eye Hospital NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent company.

Related party transactions were made on terms equivalent to those that prevail in an arm's length transaction.

The trust has transactions with its wholly owned subsidiary Moorfields Private West End LLP. In addition, a joint venture Oriel Estates Services LLP has been set up from 1st April 2023 to construct a new fully managed clinical, research and education facility at a site in Camden (Oriel) which is expected to complete in 2027.

The trust had revenue transactions of £556k (2022/23; £nil) with Oriel Estates Servies LLP and expenditure transactions of £691k (2022/23; £nil). Amounts receivable as 31st March 2024 were £20,199k (2022/23: £nil) and amounts payable were £22,945k (2022/23; £nil).

The trust had revenue transactions of £873k (2022/23; £263) with Moorfields Private West End LLP and expenditure transactions of £313k (2022/23; £nil). Amounts receivable as 31st March 2024 were £5,286k (2022/23: £4,263) and amounts payable were £nil (2022/23; £nil).

The table on the next page shows other significant related parties (individually > 1% of revenue), their relationship to the trust and the nature of the transactions entered into.

Note 31 Related parties (continued)

Name of related party	Nature of relationship to the trust
NHS England	Central funding for a variety of purposes
Health Education England	Education, training and personal development of NHS staff
NHS Hertfordshire and West Essex ICB	Patients of NHS body treated by the trust
NHS Mid and South Essex ICB	Patients of NHS body treated by the trust
NHS North Central London ICB	Patients of NHS body treated by the trust
NHS North East London ICB	Patients of NHS body treated by the trust
NHS North West London ICB	Patients of NHS body treated by the trust
NHS South East London ICB	Patients of NHS body treated by the trust
NHS South West London ICB	Patients of NHS body treated by the trust
NHS Kent and Medway ICB	Patients of NHS body treated by the trust
NHS Surrey Heartlands ICB	Patients of NHS body treated by the trust
Bedford Hospital NHS Trust	Patients of NHS body treated by the trust (Income) / Costs of operating satellite site at NHS body (Expenditure)
Croydon Health Services NHS Trust	Costs of operating satellite site at NHS body (Expenditure)
St George's University Hospital NHS Foundation Trust	Costs of operating satellite site at NHS body (Expenditure)
NHS Pension Scheme	Employer pension contributions
HM Revenue & Customs	Employer NI contributions & Apprenticeship levy

Note 32 Events after the reporting date

There were no events that occurred between the end of the reporting period and the date that the financial statements were authorised for issue.