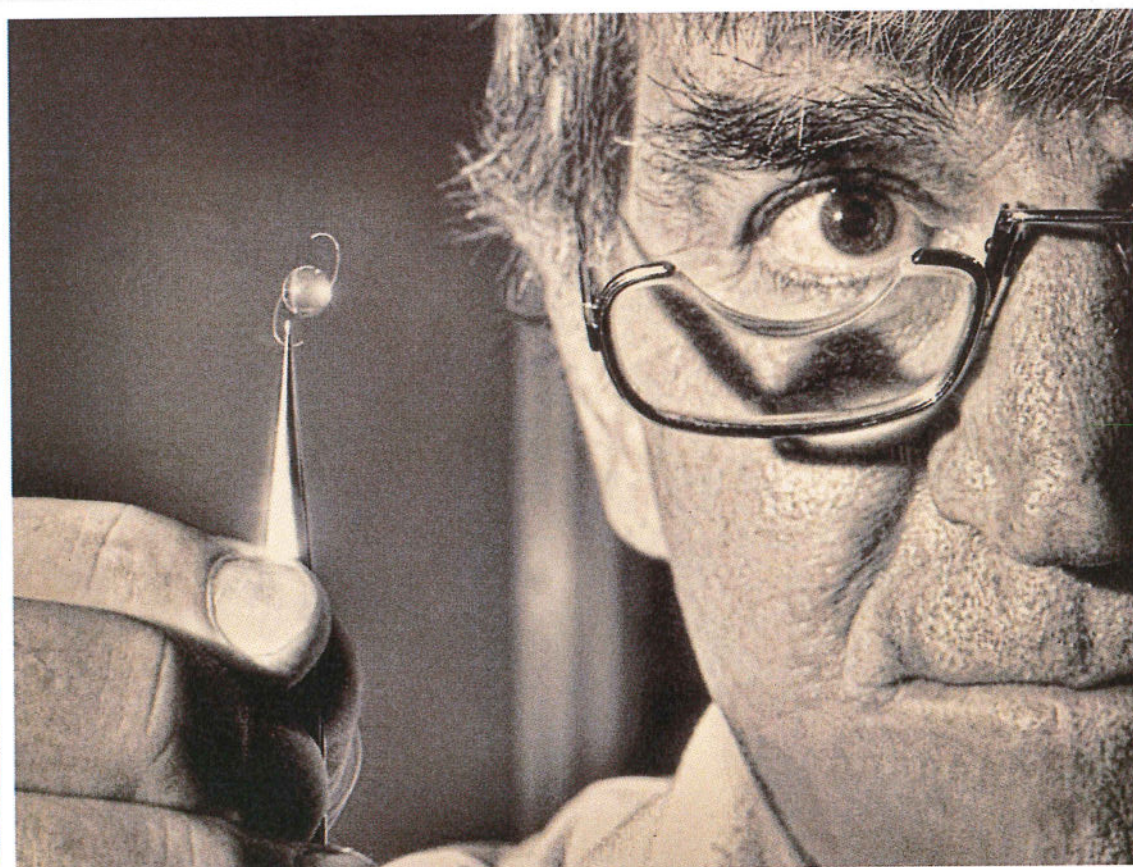




**The Fred Hollows
Foundation NZ**



Financial Report

**For the year ended
31 December 2013**

The Fred Hollows Foundation New Zealand

Contents

3. Independent Auditor's Report
4. Statement of Financial Performance
5. Statement of Changes in Accumulated Funds
6. Statement of Financial Position
7. Notes to the Financial Statements

Our Inspiration

We are inspired by the life and work of a very special New Zealander, the late Professor Fred Hollows. Fred was an internationally acclaimed eye surgeon and social justice activist who championed the right of all people to high quality and affordable eye care.

Our Mission

To work with local partners and communities to ensure all people in the areas where we work have access to high quality, comprehensive eye care.

Our Vision

The Fred Hollows Foundation works for a world where no one is needlessly blind.

Ending avoidable blindness in the Pacific

The Fred Hollows Foundation NZ works to restore sight and end avoidable blindness in the Pacific Islands, Papua New Guinea and Timor-Leste where 4 out of 5 people who are blind don't have to be; their condition is preventable or treatable.

We train local eye health workers and support them to deliver high quality eye care services in their own communities. We also build and equip eye clinics, and run a surgical outreach program into remote and underserved communities.

Our training and support establishes locally controlled and delivered eye care programs that prevent and treat avoidable blindness. This contributes directly to poverty reduction by reversing the decreased productivity and social isolation that many people experience when they lose their sight.



**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE FRED HOLLOWES FOUNDATION (NZ)**

Report on the Financial Statements

We have audited the financial statements of The Fred Hollows Foundation (NZ) ("the Foundation") and its subsidiary (together as "the Group") on pages 4 to 11, which comprise the consolidated and separate statements of financial position as at 31 December 2013, and the statements of changes in accumulated funds, and statements of financial performance for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Trustees, as a body, in accordance with the Rules of Foundation. Our audit has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditors' 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 Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Board of Trustees Responsibility for the Financial Statements

The Board of Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Board of Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Foundation or its subsidiary.

Opinion

In our opinion, the financial statements on pages 4 to 11, present fairly, in all material respects, the financial position of the Foundation and the Group as at 31 December 2013, and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.

BDO Auckland

BDO Auckland
15 May 2014
Auckland
New Zealand

**The Fred Hollows Foundation (NZ)
Statement of Financial Performance
For the year ended 31 December 2013**

	Note	Group 31 December 2013	Group 31 December 2012	Parent 31 December 2013	Parent 31 December 2012
OPERATING REVENUE					
Community and corporate support	2	5,053,708	3,872,621	5,053,702	3,862,776
Grants	10	4,887,806	4,292,343	4,813,041	3,604,037
Other income	3	117,775	73,111	112,050	71,731
Spectacle sales & patient fees		185,461	140,040	140,380	107,749
Total operating revenue		10,244,750	8,378,115	10,119,173	7,646,293
OPERATING EXPENSES					
Grants, community and corporate support expenses	4	1,916,940	1,659,934	1,916,940	1,875,983
Administration expenses	5	521,928	624,020	522,007	490,818
Programme expenses	10	5,713,273	6,915,685	5,856,714	5,194,541
Cost of spectacles & medical supplies consumed		92,260	46,522	82,207	31,558
Total operating expenses		8,244,401	8,246,161	8,377,868	7,592,900
Net surplus for the year		2,000,349	131,954	1,741,305	53,393

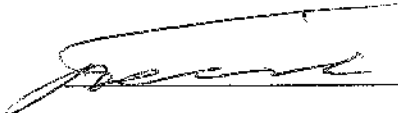
The Fred Hollows Foundation (NZ)
Statement of Changes in Accumulated Funds
For the year ended 31 December 2013

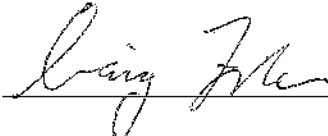
	Group 31 December 2013	Group 31 December 2012	Parent 31 December 2013	Parent 31 December 2012
Accumulated funds at beginning of year	2,227,023	2,094,926	2,122,364	2,068,971
Recognised revenue and expenses				
Net surplus for the year	2,000,349	131,954	1,741,305	53,393
Total recognised revenue and expenses	2,000,349	132,097	1,741,305	53,393
Foreign Currency Translation Reserve	(8,831)	143	-	-
Accumulated funds at end of year	4,218,542	2,227,023	3,863,669	2,122,364

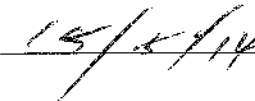
The Fred Hollows Foundation (NZ)
Statement of Financial Position
As at 31 December 2013

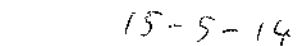
	Note	Group 31 December 2013	Group 31 December 2012	Parent 31 December 2013	Parent 31 December 2012
ASSETS					
Current Assets					
Cash and cash equivalents		3,520,830	2,347,912	3,426,110	2,287,862
Receivables		634,510	108,234	634,510	403
Prepayments		167,970	209,806	43,357	209,806
GST refund		85,030	98,130	85,030	98,130
Inventories	7	71,897	40,291	56,974	21,851
Total Current Assets		4,480,237	2,804,373	4,245,981	2,618,052
Non Current Assets					
Property, plant & equipment	8	470,664	304,995	98,221	65,342
Total Non Current Assets		470,664	304,995	98,221	65,342
Total Assets		4,950,901	3,109,368	4,344,202	2,683,394
LIABILITIES					
Current Liabilities					
Trade payables		232,901	419,356	221,163	389,543
Accruals		98,468	56,314	40,892	32,852
Employee entitlements		84,105	91,676	81,156	63,288
Deferred revenue	9	157,322	75,347	157,322	75,347
Total Current Liabilities		572,796	642,693	480,533	561,030
Non Current Liabilities					
Deferred revenue	9	159,563	239,652	-	-
Total Non Current Liabilities		159,563	239,652	-	-
Total Liabilities		732,359	882,345	480,533	561,030
Accumulated Funds		4,218,542	2,227,023	3,863,669	2,122,364
TOTAL FUNDS EMPLOYED		4,950,901	3,109,368	4,344,202	2,683,394

Signed for and on behalf of the Board of Trustees who authorised the issue of these financial statements on the 15th May 2014

 Trustee

 Trustee

 Date

 Date

**The Fred Hollows Foundation (NZ)
Notes to and forming part of the Financial Statements
For the year ended 31 December 2013**

1. Statement of Accounting Policies

Reporting Entity

The Fred Hollows Foundation (NZ) (hereon referred to as 'FHFNZ') is a charitable trust incorporated under the Charitable Trust Act 1957 and is a registered charity under the Charities Act 2005(CC23722). FHFNZ was incorporated in New Zealand and is a Public Benefit Entity ('PBE').

FHFNZ and its subsidiary, The Fred Hollows Foundation NZ Pacific Eye Institute Limited (hereon referred to as 'FHFNZ-PEI') comprise the Group.

FHFNZ-PEI was incorporated as a Company limited by guarantee and not having a share capital on 18 May 2009 under the Fiji Companies Act, 1983. The company is incorporated and is domiciled in the Republic of the Fiji Islands.

The Group exists to eliminate avoidable blindness primarily through providing eye health services and training eye health workers. The areas of operation for the Group is the Pacific Islands, Papua New Guinea and Timor - Leste.

Basis of Preparation

The financial statements of FHFNZ have been prepared in accordance with Generally Accepted Accounting Standards in New Zealand as represented by Financial Reporting Standards and applicable Statements of Standard Accounting Practice and apply differential reporting as appropriate for entities that qualify for exemptions.

Differential Reporting

FHFNZ qualifies for differential reporting exemptions on the basis that it is not publicly accountable and it is not considered large within the terms of reference of paragraph 4.2 of the Framework for Differential Reporting. All available differential reporting exemptions allowed under the framework have been adopted.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis are followed by the Group.

Certain comparative numbers have been reclassified to ensure consistency with the current period presentation. The reclassifications have had no impact on the net operating surplus of the Group. The financial statements are shown in New Zealand dollars (\$).

Specific Accounting Policies

The following specific accounting policies, which materially affect the measurement of financial performance and financial position, have been applied:

i) Revenue Recognition

Revenue for the Group consists of one-off and regular donations from individuals, trusts, foundations and corporate entities. Grants are received from governments, interest from registered banking institutions and spectacle sales and patient fees from clinic patients.

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

The following specific recognition criteria must be met before revenue is recognised:

Grants and Donations

Grants and donations are recognised as income when they become receivable unless there is a liability to repay the grant if the requirements of the grant or donation are not fulfilled. A liability is recognised to the extent that such conditions are unfulfilled at the end of the reporting period.

Bequests

Bequests are recognised in the statement of financial performance when they are received.

Interest

Interest revenue is recognised as interest accrues using the effective interest method.

Spectacle sales and Patient fees

Spectacle sales and patient fees are recognised in the statement of financial performance when they are received.

ii) Receivables and Prepayments

Receivables are stated at their estimated realisable value after making provision for doubtful debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

iii) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

iv) Goods and Services Tax

All amounts are shown exclusive of goods and services tax except for receivables and payables that are stated inclusive of goods and services tax.

v) Foreign Currency

Foreign Currency Transactions

Transactions in foreign currencies are translated into the reporting currency using the exchange rate in effect at the transaction date. Monetary items receivable or payable in a foreign currency are translated at balance date at the closing rate.

Exchange differences on foreign currency balances are recognised in the statement of financial performance.

Translation of the Financial Statements of the Subsidiary

Assets and liabilities of the subsidiary are translated at balance date at the closing rate. Revenue and expense items are translated at a weighted average of exchange rates over the financial period, as a surrogate for the spot rates at transaction dates.

Exchange differences arising from the foregoing are taken to the foreign currency translation reserve and recognised in the statement of changes in accumulated funds.

vi) Leases

Leases under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Operating lease payments are recognised as an expense in the statement of financial performance on a straight line basis over the lease term.

**The Fred Hollows Foundation (NZ)
Notes to and forming part of the Financial Statements
For the year ended 31 December 2013**

vii) Provisions

Accrued Expenses

A liability is accrued for expenses incurred in the period estimated at the future cash outflows for the service provided and yet to be billed.

Employee Entitlements

A liability for annual leave is accrued and recognised in the statement of financial position. The liability is equal to the present value of the estimated future cash outflows as a result of employee services provided at balance date.

viii) Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost, including costs directly attributable to bringing the asset to its working condition.

All items of property, plant, and equipment have been capitalised and depreciated over the period of expected benefit from their use.

When an item of property, plant and equipment is disposed of, the difference between net disposal proceeds and the carrying amount is recognised as a gain, or loss, in the statement of financial performance.

Depreciation is provided for on a straight line basis on all property, plant and equipment at depreciation rates calculated to allocate the assets' cost over their estimated useful lives

Below is a summary of depreciation rates used:

Office Equipment & Furniture and Fittings	10% - 20% SL
Leasehold Improvements	33% SL
Computer Equipment	33% - 40% SL
Medical & Teaching Equipment	30% SL
Motor Vehicles	30% SL

If the recoverable amount of an asset is less than its carrying amount, the item is written down to its recoverable amount. The write-down of an asset is recognised as an expense in the statement of financial performance.

ix) Trade Payables and Accruals

Accounts payable and accruals are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided prior to the end of the financial year that are unpaid and when an obligation arises to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 to 60 days of recognition.

x) Inventories

Inventories are recognised at the lower of cost and net realisable value. Inventories consist of medical supplies and spectacles.

xi) Basis of Consolidation

The consolidated financial statements include FHFNZ and FHFNZ PEI. The consolidated financial statements have been prepared by aggregating the items of assets, liabilities, revenues and expenses on a line-by-line basis.

All significant inter-entity transactions are eliminated on consolidation

xii) Deferred Revenue

Deferred revenue is made up of grant and/or donation income tied to a specific purpose. A liability is recognised to the extent that such conditions are unfulfilled at the end of the reporting period.

In the subsidiary, long term deferred revenue arises from plant and equipment acquired through funding received. Such donations and funding are treated as deferred income which is recognised as income over the assets estimated useful life.

xiii) Income Tax

The group has been approved as a charitable organisation in each operating region for income tax purposes and has no income tax liability.

Changes in Accounting Policies

There have been no significant changes in accounting policies.

2. Community and Corporate Support

	Group 31-Dec-13	Group 31-Dec-12	Parent 31-Dec-13	Parent 31-Dec-12
Bequests	891,712	586,975	891,712	586,975
Donations > 10,000	297,750	416,222	297,750	416,222
Corporate Donations	92,425	165,178	92,425	155,332
All others <10,000	3,771,821	2,704,246	3,771,815	2,704,247
	<u>5,053,708</u>	<u>3,872,621</u>	<u>5,063,702</u>	<u>3,862,776</u>

3. Other Income

	Group 31-Dec-13	Group 31-Dec-12	Parent 31-Dec-13	Parent 31-Dec-12
Interest Received	103,206	73,111	102,826	71,731
Recoveries	14,569	-	9,224	-
	<u>117,775</u>	<u>73,111</u>	<u>112,050</u>	<u>71,731</u>

The Fred Hollows Foundation (NZ)
Notes to and forming part of the Financial Statements
For the year ended 31 December 2013

4. Grants, community and corporate support expenses

	Group 31-Dec-13	Group 31-Dec-12	Parent 31-Dec-13	Parent 31-Dec-12
Fundraising	721,611	635,965	721,611	635,965
Investment in fundraising initiatives	667,585	756,226	667,585	756,226
Donor care	57,135	94,200	57,135	94,200
Healthcare advocacy	307,347	26,400	307,347	26,400
Communications	163,252	147,143	163,252	147,143
	1,916,940	1,659,934	1,916,940	1,659,934

5. Administration Expenses

	Group 31-Dec-13	Group 31-Dec-12	Parent 31-Dec-13	Parent 31-Dec-12
Leasing and rental charges	245,489	102,040	122,455	102,040
Gain on disposal of fixed asset	-	(10,486)	-	(10,486)
Auditor's remuneration				
- Group auditor	36,135	21,000	24,268	21,000
Depreciation				
- Computer equipment	20,856	17,416	11,785	8,425
- Office equipment	6,024	7,283	1,635	1,325
- Furniture & fittings	3,748	3,170	3,165	2,597
- Leasehold improvements	14,588	13,728	14,588	13,728
- Motor Vehicles	12,352	16,255	-	-
- Medical & teaching	51,763	100,866	-	-
Employee remuneration	151,009	289,897	151,009	289,897

6. Programme Funding

The FHFNZ eye care programs restore sight through outreach and clinical service provision, including training of eye care workers, management support of eye care programs and purchasing equipment for regional clinics. Any assets purchased for the establishment of FHFNZ programs in the region are recorded as an expense in the year incurred as it is unlikely that these assets would ever be returned to FHFNZ with the exception of assets specifically purchased for use by FHFNZ-PEI. Any assets which are donated to the clinics and over which FHFNZ retains no ownership rights, are also recorded as an expense in the year of donation.

7. Inventories

	Group 31-Dec-13	Group 31-Dec-12	Parent 31-Dec-13	Parent 31-Dec-12
Spectacles	71,897	40,291	56,974	21,851
	71,897	40,291	56,974	21,851

8. Property, Plant and Equipment

	Group 31-Dec-13	Group 31-Dec-12	Parent 31-Dec-13	Parent 31-Dec-12
Computer Equipment	146,131	115,044	73,403	62,524
Accumulated Depreciation	(96,661)	(78,733)	(53,115)	(41,330)
	49,470	36,311	20,288	21,194
Office Equipment	53,063	44,808	22,379	15,541
Accumulated Depreciation	(27,303)	(22,453)	(9,285)	(7,650)
	25,760	22,355	13,094	7,891
Furniture and Fittings	62,626	34,783	56,594	29,418
Accumulated Depreciation	(24,619)	(21,046)	(21,732)	(18,547)
	38,007	13,737	34,862	10,871
Leasehold Improvements	101,581	82,402	101,581	82,402
Accumulated Depreciation	(71,604)	(57,016)	(71,604)	(57,016)
	29,977	25,386	29,977	25,386
Medical & teaching	726,900	571,307	-	-
Accumulated Depreciation	(448,744)	(430,973)	-	-
	278,156	140,334	-	-
Motor Vehicles	116,378	126,304	-	-
Accumulated Depreciation	(67,084)	(59,432)	-	-
	49,294	66,872	-	-
Net Book Value	470,664	304,995	98,221	65,342

The Fred Hollows Foundation (NZ)
Notes to and forming part of the Financial Statements
For the year ended 31 December 2013

9. Deferred Revenue

	Group 31-Dec-13	Group 31-Dec-12	Parent 31-Dec-13	Parent 31-Dec-12
Current	157,322	75,347	157,322	75,347
Non-current	158,563	239,662	-	-
	<u>316,885</u>	<u>314,999</u>	<u>157,322</u>	<u>75,347</u>

10. Grants and Programme Expenses

	Group 31-Dec-13	Group 31-Dec-12	Parent 31-Dec-13	Parent 31-Dec-12
Grants				
Government Funding - FHFNZ PEI	2,422,375	1,184,000	2,422,375	1,184,000
Government Funding - PNG	1,277,825	316,000	1,277,825	316,000
The Fred Hollows Foundation - Australia ("The Foundation")				
Timor-Leste	1,063,934	1,120,661	1,063,934	1,120,661
Funding previously deferred - FHFNZ-PEI	61,397	857,560	-	724,915
Funding previously deferred - Papua New Guinea	-	203,279	-	203,279
Other Programme Revenue	62,475	328,119	49,107	55,182
RANZCO Funding(i)	-	173,558	-	-
IAPB Funding(ii)	-	109,166	-	-
	<u>4,887,806</u>	<u>4,292,343</u>	<u>4,813,041</u>	<u>3,604,037</u>

(i) (RANZCO) Royal Australian and New Zealand College of Ophthalmologists

(ii) (IAPB) International Association for Prevention of Blindness

	Group 31-Dec-13	Group 31-Dec-12	Parent 31-Dec-13	Parent 31-Dec-12
Programme Expenses				
FHFNZ-PEI	2,493,425	3,215,241	2,636,866	2,566,114
Papua New Guinea	1,425,002	1,530,772	1,425,002	1,458,756
Timor-Leste	1,204,086	1,116,840	1,204,086	1,116,840
Other Programme Expenses	589,760	52,831	589,760	52,831
	<u>5,713,273</u>	<u>5,915,684</u>	<u>5,856,714</u>	<u>5,194,541</u>

11. Operating Lease Commitments

FHFNZ operates from leased offices at Tower B, Level 6, 100 Carlton Gore Road, Newmarket, Auckland. In 2008 the lease was signed for a period of six years with the right of renewal. This was exercised a year early with the next right of renewal in 2017. PEI operating lease commitments are contracted for residential apartments for employees. FHFNZ leases a photocopier from Ricoh Finance. The lease expires in October 2017.

Commitments under non-cancellable operating leases:

	Group 31-Dec-13	Group 31-Dec-12	Parent 31-Dec-13	Parent 31-Dec-12
Building/Apartments				
Current	233,716	107,458	110,682	107,458
Non-current	331,700	342,106	331,700	342,106
Total Building/Apartments	<u>565,416</u>	<u>449,564</u>	<u>442,382</u>	<u>449,564</u>
Photocopier				
Current	8,964	4,473	8,964	4,473
Non-current	25,454	21,246	25,454	21,248
Total Photocopier	<u>34,438</u>	<u>25,719</u>	<u>34,438</u>	<u>25,719</u>
Total lease commitments	<u>599,854</u>	<u>475,283</u>	<u>476,820</u>	<u>475,283</u>

12. Transactions with Related Parties

FHFNZ is in a partnership agreement with The Fred Hollows Foundation (The Foundation). This agreement formalises the responsibilities of, and arrangements between, FHFNZ and The Foundation for the operations carried out in Timor-Leste. During the reporting period, FHFNZ has recognised income received from The Foundation to fund the Timor-Leste operations amounting to \$1,063,934 (2012: \$1,138,082).

In 2013, FHFNZ and MFAT entered into a Funding Arrangement for operations to be carried out in Fiji and Papua New Guinea. FHFNZ used this funding in accordance with this Arrangement, in addition to general donations, for FHFNZ's operations in those areas. Total funding for the reporting period totalled \$3,700,000 (2012: \$2,566,114).

13. Remuneration of Board Members

The Trustees of FHFNZ provide governance services on an honorary basis.

Macuity Limited, of which J McElhinney is one of the directors, was remunerated for the provision of consultancy services during the year.

14. Capital Commitments

The Group has committed to and contracted for \$366,885 to build a new operating and training theatre in PNG.

The Group has committed to and contracted for \$575,500 to construct and commission a mobile eye clinic for the region. There are no other capital commitments as at year end. (2012: \$Nil)

15. Contingencies

There are no contingencies as at reporting date (2012: \$Nil).

**The Fred Hollows Foundation (NZ)
Notes to and forming part of the Financial Statements
For the year ended 31 December 2013**

16. Subsidiary

The consolidated financial statements include the financial statements of FHFNZ-PEI which is incorporated in Fiji as a company limited by guarantee without issuance of share capital in May 2009. The composition of the members and directors of FHFNZ-PEI have been set up by FHFNZ in order for FHFNZ to have control over FHFNZ-PEI. Accordingly FHFNZ-PEI is considered a subsidiary.

17. Bank Credit Facility

FHFNZ has a credit card facility with a limit of \$120,000. A term deposit of an equal value to the facility limit has a restriction on its withdrawal, this being the security held over the credit card facility. The outstanding balance of the facility as at 31 December 2013 is \$nil (2012: \$nil).

18. Going Concern

These financial statements have been prepared on a going concern basis. The Trustees believe this continues to be a valid basis and have reached this conclusion having regard to the circumstances considered likely to affect the Group in the foreseeable future which could impact the going concern assumption.

The organisation currently enjoys the support of, and is reliant on, funding from a variety of sources such as the NZ public, Government via Ministry of Foreign Affairs and Trade (MFAT), The Fred Hollows Foundation Australia (The Foundation), The Australian department of Foreign Affairs and Trade (DFAT) and a variety of other funding bodies in order to carry out its charitable work.

The Group's regional programme was significantly funded by MFAT and The Foundation during the current reporting period ending 31 December 2013. FHFNZ was successful in securing MFAT's continued financial support until 2015.

19. Reserves Policy

As a prudent financial governance approach, the Board has a policy of aiming to hold approximately six months of operating expenses in reserve. The express purpose of this reserve is to allow the organisation to accommodate any unexpected changes in funding and minimise the disruption to continuing to be able to provide its charitable works.

20. Subsequent Events

FHFNZ-PEI had entered into an agreement with the Fiji Ministry of Health on 20 January 2011 which expired on 20 January 2014. FHFNZ-PEI has entered into a new agreement with the Ministry of Health on 18 February 2014 for a period of 5 years. The agreement will cease on 17 February 2019 and as per agreement, at that date, the Fiji Ministry of Health will take over the clinical operations of The Pacific Eye Institute.

Apart from the matter noted above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years. (2012:\$nil)