

ANNUAL REPORT 2010



Focus on Training:

- ✓ Over **30,000** eye health staff trained in last five years
- ✓ **12,961** trained this year alone
- ✓ Delivering on Fred's promise



The **Fred Hollows**
Foundation

www.hollows.org.au

A message from Gabi Hollows

Photo: Ian Waidie/CJ Studio.



Fred believed local people were best placed to deliver health care to their communities. His dream was to see eye doctors across the globe equipped with the skills and tools to eradicate avoidable blindness and improve lives.

One of the final things Fred did before he died was to check himself out of hospital to attend a meeting of eye doctors in Hanoi, Vietnam. He promised that The Fred Hollows Foundation would train 300 surgeons to perform modern intraocular lens surgery in three years. Sadly Fred passed away, but six weeks after his death I went to Vietnam to tell the doctors that we would keep that promise. In fact, we did. We trained over 330 eye doctors in less than three years. The amazing work still continues.

In 2010 alone, The Foundation:

- Supported training for 12,961 eye health professionals
- Performed 194,903 sight operations and treatments
- Screened 1,310,226 people
- Built or upgraded 41 eye health facilities
- Helped improve the health of Indigenous people through a range of programs.

When it comes to training, this means that during the period of the last five years (covered by our 2006-2010 Strategic Framework) we have supported training for over 30,000 eye health staff.

It's an amazing achievement – one that Fred would be proud of.

Of course – none of this would be possible without the backing of tens of thousands of Australians. Because of this support, sight, independence and dignity are being restored to more and more people each day. On behalf of Fred and me – thank you. You are helping keep Fred's promise. Together, we can end avoidable blindness.

Gabi Hollows
Founding Director

Who we are

The Fred Hollows Foundation is an international development organisation, focusing on blindness prevention and Australian Indigenous health. We are independent, not-for-profit, politically unaligned and secular.

Our Vision

We see a world in which no person is needlessly blind and Indigenous Australians exercise their right to good health.

Our Inspiration

We are inspired by the life and work of Professor Fred Hollows (1929-1993), an internationally acclaimed eye surgeon and an activist for social justice who championed the right of all people to high quality and affordable eye care and good health.

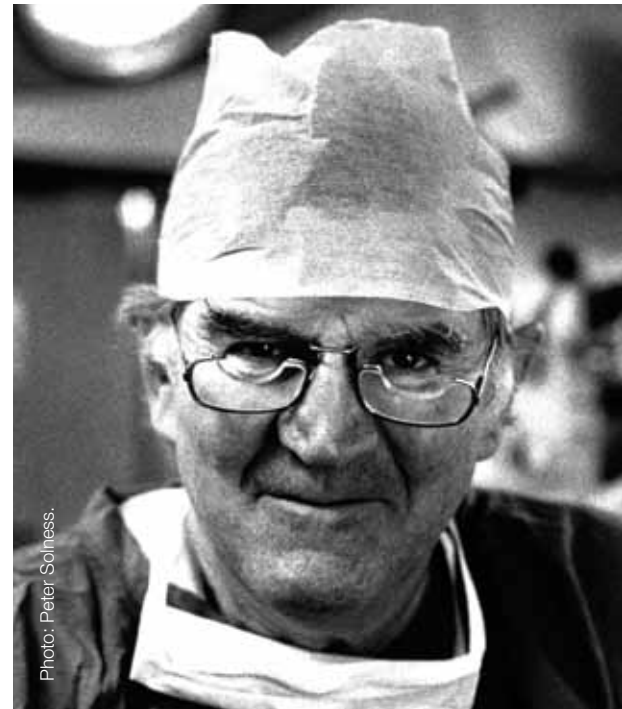


Photo: Peter Solness.

Professor Fred Hollows (1929-1993).

Contents

Prime Minister's message	3
Message from the Chair	4
Focus on training	5
Message from the CEO	6
Five years of record results	7
Where we work - Australia	8
Where we work - Around the world	11
2010 Highlights - Research and scholarships	18
2010 Highlights - Working together	19
Our partners	20
Thank you	21
Values in action	24
Governance	25
Board of Directors	26
Financial overview	28



Australian Government
AusAID

The objective of the Australian Government's aid program, delivered by the Australian Agency for International Development (AusAID), is to assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest. In 2010, AusAID contributed funding towards The Fred Hollows Foundation's programs in Bangladesh, Cambodia, China, Eritrea, Kenya, Lao PDR, Nepal, Pakistan, Rwanda, South Africa, Tanzania and Vietnam.

© The Fred Hollows Foundation. ABN 46 070 556 642

Printed on 100% recycled paper.

Design: sevdesign.com.au

Front cover photo: Michael Amendolia.



The Fred Hollows Foundation is a member of the Australian Council for International Development (ACFID) and is a signatory to the ACFID Code of Conduct, which is a voluntary, self-regulatory sector code of good practice. The Code requires members to meet high standards of corporate governance, public accountability and financial management. More information on the Code, including how to make a complaint, can be obtained from ACFID by visiting www.acfid.asn.au or emailing code@acfid.asn.au. The Foundation also has its own process for handling complaints which can be activated by phoning the CEO on 02 8741 1900 or emailing fhf@hollows.org.

This publication may contain images of persons that have passed away. The Fred Hollows Foundation would like to acknowledge these persons and pay our respects to them and their families.

Jokh's story - Nepal

Over the years Jokh, 66, had been gradually blinded by cataracts. As a result he became dependent on his young granddaughter, Kamala, for even simple tasks at home. Together, they trekked from their village through the Himalayan foothills so that Jokh could receive sight-restoring surgery at The Foundation's eye camp in the province of Rolpa. He is happy that he can now live a full, independent life and contribute to his family's household. As a result, Kamala can now return to school.



Prime Minister's message



Needless, preventable blindness is one of the greatest tragedies of our world today.

For a modest investment in simple equipment and training, thousands of people can be spared the avoidable loss of sight every year – something Fred Hollows instinctively understood.

Fred knew that the job of reversing conditions like cataract did not require extravagant resources, but simply a determined application of will-power mixed with abundant compassion.

As a result, millions of lives have been transformed.

Indeed, the great work begun by Fred in the 1980s has only grown in scope since his passing 18 years ago, as a new generation of Australians take inspiration from his life and legacy.

In 2010, The Fred Hollows Foundation restored sight, delivered equipment and provided medical training in 18 countries. It is an extraordinary record of achievement, which is proudly documented in this Annual Report.

I am delighted that this work will expand in the coming year to further countries because so much more needs to be done – and thanks to The Fred Hollows Foundation, it will be done.

A handwritten signature in black ink that reads "Julia Gillard". The signature is written in a cursive style with a horizontal line underneath the name.

The Honourable Julia Gillard MP
Prime Minister of Australia

Message from the Chair



Les Fallick

I never met Fred, but I see his ripples all over the place. There are certain qualities of Fred that are embedded in the DNA of The Foundation. As the new Chair in 2010, I am very proud to be part of an organisation continuing his work to eradicate avoidable blindness worldwide and improve the health of Indigenous Australians.

Over the past five years, The Foundation has doubled in size and effectiveness. To manage this growth, business functions have needed to evolve quickly. During this period, the Board and operational team have been responsive, adaptive, and results-driven.

Over the next four years, our work will continue to be accomplished with Fred's original intentions for The Foundation at the forefront of all our planning. Our new 2011-2014 Strategic Framework outlines four ambitious objectives and the steps we must take to achieve them. Our objectives are:

- Objective 1** – End Avoidable Blindness
- Objective 2** – Improve Indigenous Health
- Objective 3** – Build a Strong Organisation
- Objective 4** – Create an International Structure.

Fortunately, the complex financial and security conditions which prevailed in 2010 did not hamper our work. An increase in regular givers and bequests indicates the high level of trust the Australian public places in Fred's Foundation to carry out good work.

We continue to pursue a conservative investment strategy to maintain our strong balance sheet. As in the four previous years, our financial position at year end has once again exceeded forecasts and expectations.

Within our Australian and international offices we took steps to make our workplaces more efficient, environmentally sustainable and inclusive.

Where possible we have leveraged relationships with our sister foundations. In Dili, Timor-Leste, for example, we worked with The Fred Hollows Foundation New Zealand to construct a National Eye Centre. On completion in 2011, this facility will house the country's first dedicated ophthalmology operating theatre and outpatient clinic.

The Foundation has also continued to play a central role in the Vision 2020 Australia Global Consortium – a joint venture of nine eye health agencies working to eliminate blindness in the Asia-Pacific region with backing from the Australian Government. Through this partnership, in Cambodia where we are the implementing agency, tens of thousands of people were screened for eye disease who would not otherwise have had the chance.

I have been privileged to witness some of the sight-restoring work The Foundation is doing in countries including Nepal and Rwanda. It is truly inspiring to see what your support is achieving.

Thank you for what you've given us and the trust you've placed in us. We regard this trust very highly and we treat it with enormous respect. We will continue to be as effective and as innovative as we can and we will continue the dialogue of reporting back on the things we do in Fred's name and on your behalf.

Kind regards

A handwritten signature in black ink that reads "Les Fallick". The signature is written in a cursive, flowing style.

Les Fallick, Chair

Focus on training



Training the trainers: The Foundation is giving medical workers the skills they need to tackle preventable blindness in some of the world's most challenging regions.

Over the past five years, The Fred Hollows Foundation has delivered a global workforce of over 30,000 skilled eye health workers.

In 2010, The Foundation continued Fred's legacy, supporting training for eye surgeons in some of the most remote and challenging regions. We boosted sub-specialty numbers to tackle global endemics like diabetic retinopathy and childhood blindness. And we equipped emerging leaders to manage eye hospitals facing enormous blindness burdens on shoestring budgets.

More eye nurses and clinic support staff are desperately needed. The Foundation supported clinical training for new nurses in high volume surgery. We helped develop nursing curricula and supported existing nurses to become trachoma specialists.

However, Fred didn't just want eye doctors and nurses. He knew that getting cataract sufferers out of the darkness and onto the operating table relied on grassroots community health workers.

They are the ones who go door-to-door letting villagers know about eye screenings; organise transport to faraway hospitals for surgery; and provide support to patients, many of whom have never seen a doctor.

The story doesn't end here. Eye doctors that Fred trained like Dr Desbele (see photo below) have since trained hundreds of medical workers themselves. And in the years ahead, the results of our training drive will multiply, as those trained go on to teach literally thousands of others to restore sight.

Medical training in 2010

- ▶ **97** surgeons were clinically trained
- ▶ **1,435** nurses and support staff were clinically trained
- ▶ **8,260** community health workers were trained
- ▶ **3,169** existing eye health professionals were up-skilled



In 1987, Fred brought Eritrea's only ophthalmologist Dr Desbele Ghebreghegisi (far right) to Sydney to learn modern cataract surgery techniques at Prince of Wales Hospital. A few years later, Fred was back in Eritrea, training hundreds of local 'barefoot doctors' to cure cataract blindness.

Message from the CEO



Brian Doolan

Here at The Fred Hollows Foundation we keep Fred's work alive in all we do. And that means delivering on promises. Fred didn't just talk about his goals, he put words into action and got on with the job.

Five years ago The Foundation developed our Strategic Framework 2006-2010. It was an ambitious road map containing steps to achieve Fred's goals of improving Indigenous health and ending avoidable blindness.

As we have come to the end of that planning period it is important to take stock of what has been achieved.

In the last five years The Foundation has:

- Carried out 784,378 sight-saving operations and treatments
- Looked into the eyes of 6,614,085 people
- Supported training for 31,121 medical and support staff
- Provided hospitals and health programs with essential equipment to the value of \$10,131,837
- Completed construction or renovation of 119 eye health facilities
- Expanded to work in more than 55 Indigenous communities.

Of course there is still much to do, but the results show we are delivering on Fred's vision. Thanks to you we have been able to take Fred's work even further.

2010 results - Topping five years of achievement

- ▶ **12,961** medical and support staff trained
- ▶ **194,903** eye operations and treatments performed
- ▶ **\$3,475,629** in equipment provided
- ▶ **1,310,226** screenings performed

This success is highlighted in our five year report on Page 7.

Growth in training is particularly pleasing, as training was Fred's focus. He knew that the only way to stop people from going blind needlessly was to put in place the local health workforce to tackle the problem long term.

The beauty of this approach is that those who have received training share their skills with others, creating a multiplying effect. That was Fred's model for development and it continues to be ours.

And of course it's not just overseas that your support is making a difference. In Australia our Indigenous programs have grown to help keep Fred's important work in Indigenous health alive. For example, a project that was just an idea in 2006, the Central Australia and Barkly Integrated Eye Health Program, delivered its 500th sight saving operation in 2010.

Of course numbers are a good indication of activity, but more than that, they reflect the many lives that have been forever changed thanks to the generosity of our supporters.

So as we look over the results of 2010, and the five year results of our last strategic plan, we think also of those we are yet to reach. We are already putting in place the measures outlined in our new plan, which covers the next four years, aiming to reach even more people and keeping Fred's dream of ending avoidable blindness and improving Indigenous health alive.

Kind regards

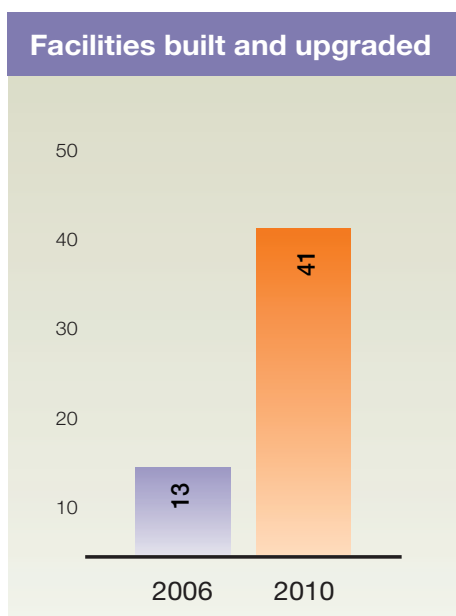
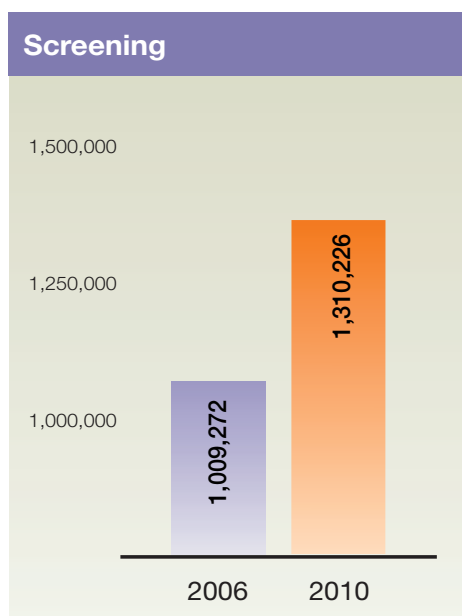
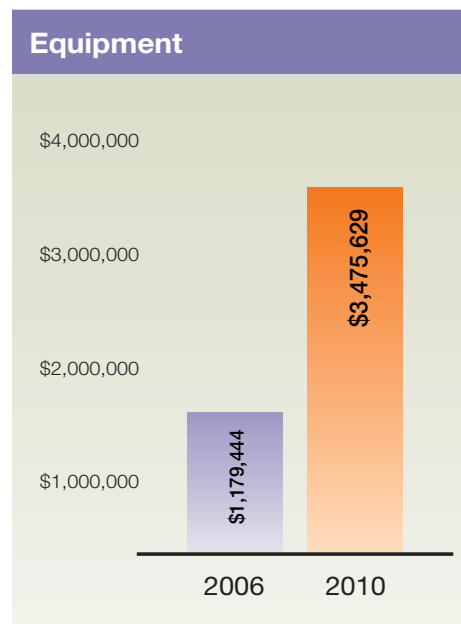
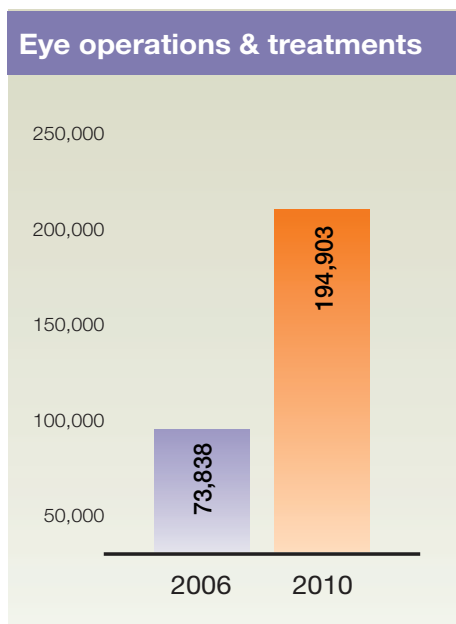
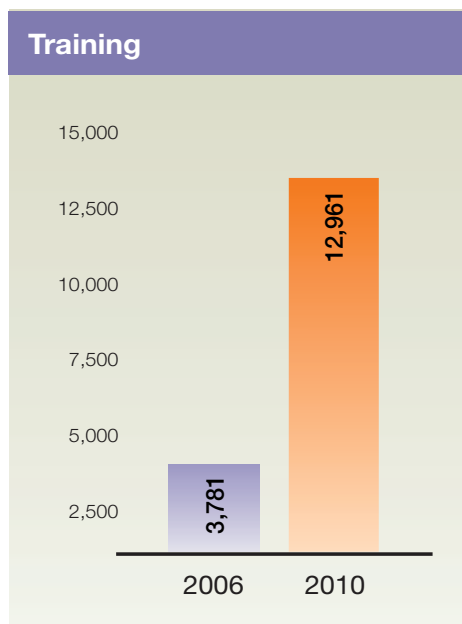
A handwritten signature in black ink that reads 'Brian Doolan'.

Brian Doolan, CEO

Five years of record results

Reporting back: 2006-2010

These graphs illustrate the results achieved over five years through The Foundation's 2006-2010 Strategic Framework.



Results add up

In the last five years The Foundation has:

- ▶ Performed eye operations and treatments on **784,378** people
- ▶ Supported training for **31,121** medical and support staff
- ▶ Looked into the eyes of **6,614,085** people
- ▶ Provided **\$10,131,837** of medical equipment
- ▶ Built or upgraded **119** eye health facilities
- ▶ Expanded to work in more than **55** Indigenous communities



Fred's way: In all of our work in Indigenous communities, The Foundation has a dual focus of delivering improved health and eye health care while contributing to the evidence base on effective approaches. This is in line with the principle Fred espoused of "no survey without service".

Where we work | Australia

Professor Fred Hollows worked tirelessly to tackle the crippling health conditions and inequities experienced by Indigenous Australians.

In 2010, The Foundation continued his work, supporting eye care and sustainable health systems in 55 Aboriginal communities, in partnership with local Indigenous organisations. We also continued our efforts to reduce the gap in life expectancy between Indigenous and non-Indigenous Australians.

Eye health

- Two surgical intensive weeks were held in Alice Springs: 62 cataract operations and 28 other eye procedures were performed on patients from Central Australia and the Barkly region
- Led health system reform in Central Australia and the Barkly region
- Provided optometry services and affordable spectacles through our optometry programs
- Planning continued for the new eye clinic at Alice Springs Hospital – part of the Central Australia and Barkly Integrated Eye Health Program.

Speaking out

- Supported the Close the Gap coalition – bringing public attention to the health issues facing Indigenous Australians
- Contributed to Indigenous policy debate – especially about food security for Aboriginal people in remote areas and the Federal Government's Northern Territory Emergency Response measures
- Provided training to Indigenous people, including health professionals, so they can better speak out on their rights
- Supported research into Indigenous health, education and housing – the results will inform our future work.

Nutrition

- Trialed a nutritional supplement to combat iron deficiency in Indigenous infants, and a peer support program for mothers on healthy feeding for babies
- Helped an Aboriginal community establish its own store, offering fresh food and affordable groceries.



Healthy start: In 2010, The Foundation trialled an innovative nutritional supplement called 'Sprinkles' which is mixed into children's meals.

Where we work | Australia

Families

- Supported treatment of chronic middle ear infection in young children in the East Katherine region
- Devised new ways to deliver child and maternal health care in remote communities in South Australia through a new Nganampa Health Council partnership
- Supported a youth drop-in centre in far-west NSW to build Indigenous teenagers' life skills and self esteem.

Literacy

- Supported the Indigenous Literacy Project (ILP), which distributed 13,700 books to schools and other organisations across Australia – helping Indigenous kids improve their literacy skills
- The ILP also funded five remote community literacy projects and continued the Book Buzz Project, which introduces young children to reading and encourages family members to read with them.

Women's development

- Banatjarl Women's Council was elected - made up of women from Jawoyn communities. Members now want to see cultural regeneration and family support programs offered through the Banatjarl Family Resource and Healing Centre
- Women from the Jawoyn region travelled to other healing centres to learn and exchange ideas. They shared health and culture knowledge at camps and festival and spoke on Indigenous issues at international conferences
- Over 7,000 copies of *Kukumbat gudwan daga* (*Really cooking good food*) cookbooks now being used by Indigenous people throughout Australia.

Central Australia: Eye health milestone

The 500th sight-restoring surgery was conducted through the Central Australia and Barkly Integrated Eye Health Program in 2010.

My Linh's story - Vietnam

Born with cataracts in both eyes, My Linh was unable to see the school blackboard by Year 3. Her future looked bleak without a proper education. Cataract surgery performed through the 'Sight for Children' program in Vietnam has restored vision and hope for a better future to this little girl. My Linh's family is overjoyed that she can now go back to school and play with her friends.





Where we work | Around the world

Afghanistan

- Delivered eye health projects despite security concerns and an unstable environment
- Performed 879 cataract operations and 109 other sight-saving or improving interventions
- Assisted a local eye specialist to complete a clinical diploma in ophthalmology at the Pakistan Institute of Community Ophthalmology
- Trained 40 community health workers
- Screened 15,874 people
- Examined the eyes of boys and girls in schools, and trained teachers to identify eye disease.

Bangladesh

- One of our fastest growing programs - operations more than doubled in 2010
- Performed 3,087 cataract operations, and 12,492 other sight-saving or improving interventions
- Trained two ophthalmologists, 19 nurses and clinic support staff and 483 community health workers
- Intensified efforts to eliminate childhood cataract through a new partnership with Sight Savers International
- Screened 52,745 people
- Provided \$159,755 in equipment and infrastructure
- Ran school screening programs and held outreach surgical clinics across two districts.

Burundi

- Following a pilot eye surgery program in 2009, a Rapid Assessment of Avoidable Blindness study was conducted in Ngozi District to determine overall eye health needs. This will inform a comprehensive program in Burundi, to commence in 2011.

Pakistan: Relief for kids

Children living with avoidable blindness will receive the complex care they need with the opening of a new eye clinic in northern Pakistan. The specialised facility at Rawalpindi General Hospital will also treat people with diabetic eye conditions.

Cambodia: Breaking barriers

A young Cambodian woman took the final steps to become the first female ophthalmologist in her country. Dr Ouk Soleaphy, 26, is the first woman to complete the Ophthalmology Residency Training Program established by The Foundation and Cambodia's National Program for Eye Health.

Pakistan: Father of five, Mohammad Hassan, heard that The Foundation was holding an eye camp two hours from his home. He made the journey and received cataract surgery - which has fully restored his independence.

Where we work | Around the world

Cambodia

- Cambodia's first female eye surgeon trained - through the Residency Training Program delivered in partnership with Cambodia's National Program for Eye Health
- Trained 11 eye surgeons, 28 clinic support staff and 496 community health workers
- Performed 6,174 cataract operations and 1,720 other sight-saving or improving interventions. We also supported a further 4,962 surgeries in partnership with other organisations
- Began construction of Siem Reap Regional Eye Hospital near Angkor Wat with Foundation and AusAID funding - supporting eye care services for three million people
- Screened 44,855 Cambodians
- Trained school teachers to identify eye disease in students and screened 1,831 primary-aged children
- Completed construction of Monkul Borey Hospital Eye Unit and renovated Battambang, Kampong Thom, Sihanouk Ville and Phnom Penh eye units
- Held three outreach mobile eye camps
- Major support from the Australian Government through the Avoidable Blindness Initiative.

China

- The Chinese Government asked our China program manager, Dr Leshan Tan to help shape the country's national blindness prevention policy – a project with potential to impact millions of lives
- Trained 24 eye surgeons, 1,170 nurses and medical support staff and 1,296 community health workers
- Screened 44,449 people
- Performed 17,633 sight-saving interventions, including 6,713 cataract surgeries
- Renovated eye clinics in five districts
- Conducted a large-scale awareness campaign to tackle diabetes-related eye disease.

Democratic People's Republic of Korea (DPRK)

- For the sixth year, The Foundation supported Nepal's Tilganga Institute of Ophthalmology to improve eye surgery in DPRK
- Conducted an eight-day workshop in DPRK, screening 955 people and performing 747 sight-saving cataract surgeries
- Strengthened high volume cataract skills of two surgeons and two senior eye care managers with training at Tilganga
- Donated 2,200 intraocular lenses and an array of surgical equipment.



Photo: Lannon Harley.

Eritrea: Since the Fred Hollows IOL laboratory opened in Eritrea in 1994, more than 4 million lenses have been produced there and at another laboratory in Nepal - ensuring women like these finally have access to affordable sight-restoring surgery.

Where we work | Around the world

Eritrea

- Continued to work closely with local health authorities towards the goal of eliminating avoidable blindness in Eritrea by 2015
- Performed 5,597 cataract operations and 4,051 other sight-saving or improving interventions
- Trained 260 health workers
- Committed to funding the construction of a new outpatient department and training facilities at Berhan Eyni tertiary eye hospital
- Continued a major trachoma prevention and treatment program - including training and health education
- Delivered \$90,779 in medical equipment
- Strengthened remote service delivery by supporting outreach clinics and expatriate ophthalmologists in three regions.

Ethiopia

- Prepared to launch a new program in Ethiopia, in partnership with Austrian organisation Light for the World. Ethiopia currently has only 103 ophthalmologists to serve its 80 million people. In the first stage of the program, The Foundation will provide support to establish, equip and staff an ophthalmic unit in Debark Hospital in the north of the country, and help develop associated primary eye care services.

Kenya

- Performed 4,313 sight-saving or improving interventions
- Screened 19,020 Kenyans
- Trained nine surgeons and four trachoma nurses
- 136 children had sight-saving surgery
- Provided \$46,184 in medical equipment
- Taught seven teachers of students with low vision how to use inclusive classroom learning aids
- Conducted a Rapid Assessment of Avoidable Blindness study to determine the need for treatment in the South Nyanza district.

Lao PDR

- Doubled cataract surgeries in four remote northern provinces, compared with 2009 results
- Performed 598 cataract operations and 172 other sight-saving or improving interventions
- Trained three clinic support staff and 208 community health workers
- Screened 7,423 people
- Provided \$9,409 in vital medical equipment.



China: Zhou, 85, could not farm or look after himself because of cataract blindness. Since receiving free eye surgery through The Foundation, he is no longer restricted to the four walls of his home.

Where we work | Around the world

Nepal

- Renowned Nepalese ophthalmologist Dr Sanduk Ruit received one of the country's greatest honours, the Ujjwol Kirtimaya Rashtra Deep award. The innovative surgeon has restored sight to over 100,000 people and trained thousands of eye health workers
- Trained four surgeons, 18 nurses and clinic support staff and 110 community health workers
- 10,746 cataract surgeries were performed at the Tilganga Institute of Ophthalmology and at outreach mobile eye clinics held in remote regions
- Over 160,000 people had their eyes screened
- Five mega eye camps were held.

Pakistan

- Despite catastrophic widespread flooding and a difficult security situation, The Foundation continued to deliver sight-saving work in Pakistan
- Clinically trained 11 surgeons in general ophthalmology and sub-specialty fields, along with 32 nurses and clinic support staff
- Heavy focus on tackling widespread problem of childhood blindness (64,000 children suffer from it) and diabetic retinopathy – through AusAID's Pakistan-Australia Subspecialty Eye Care Project
- Delivered \$966,024 in sight-saving medical equipment
- Performed 25,157 cataract operations and 12,464 other sight-saving interventions
- Screened 411,485 people
- Renovated six eye care clinics and installed the latest medical equipment. Since 1998, The Foundation has upgraded 50 eye units and rural health centres
- Treated more than 2,000 people at three outreach eye camps in hard-to-reach parts of northern Pakistan.

China: Early detection

More people with diabetes-related eye disease in China will be screened and treated thanks to a large-scale awareness campaign conducted by The Foundation with Aier Eye Hospital Group. More than 84,600 people in major cities can now identify the early symptoms of diabetic retinopathy. Around 92 million adults in China have diabetes.



Vietnam: In 2010, The Foundation performed more than 14,000 cataract operations across the country.

Where we work | Around the world

Rwanda

- Screened 19,115 Rwandans
- Performed 500 cataract operations and 49 other sight-saving and improving interventions
- Trained one ophthalmologist in small incision cataract surgery
- Trained two nurses and clinic support staff as well as 266 community health workers
- Began the upgrade of Muhororo Eye Unit which will be complete in 2011
- Provided 1,662 pairs of spectacles.

South Africa

- Performed 2,491 cataract operations and 395 other sight-saving surgeries
- Supported the training of 16 surgeons, 40 nurses and 98 community health workers
- Supported 40 outreach visits by ophthalmologists to hospitals without resident surgeons
- Assisted 10 students to undertake a new ophthalmic nursing program, which The Foundation helped establish
- Screened 23,863 people.

Tanzania

- Performed 195 cataract surgeries and 13 sight-saving or improving interventions
- Screened 3,546 people
- Helped provide on-the-ground training in rural areas for five ophthalmology students.

Tibet Autonomous Region (TAR)

- For the fourth year, The Foundation supported Nepal's Tilganga Institute of Ophthalmology to improve eye surgery and reduce the enormous backlog of cataract cases in Tibet
- Strengthened the cataract surgery skills of a surgeon with training at Tilganga
- Renowned Nepalese ophthalmologist Dr Sanduk Ruit and a small team from Tilganga travelled to Tibet to work with a local hospital to perform 93 cataract surgeries.

Kenya: New frontiers

A study took place to see if The Foundation's sight-saving work should be expanded into south west Kenya. The Rapid Assessment of Avoidable Blindness study measured eye health and treatment in the South Nyanza region, to highlight blindness causes and service and infrastructure gaps.



Photo: Hugh Rutherford.

South Africa: Mama, 85, was blind for many years and wished to regain her sight so that she could read text messages sent to her by her family members. Now that she can see, she is able to keep in close touch with her grandchildren.

Where we work | Around the world

Vietnam

- The Foundation continued Fred Hollows' campaign to increase qualified eye care personnel in Vietnam, training nine eye doctors, 67 clinic support staff and over 5,000 community health workers
- Fred's son Cam Hollows accepted a Vietnamese Friendship Medal on The Foundation's behalf – the country's highest honour for a foreign organisation
- Performed 14,147 cataract operations and 15,498 other sight-saving or improving interventions
- Screened 435,646 people
- Expanded support into 16 provinces
- Deputy Prime Minister, Nguyen Thien Nhan launched a major project to treat childhood blindness in 20 districts of Hanoi and Ho Chi Minh City - a Foundation/Standard Chartered Bank partnership
- Examined more than 340,000 boys and girls at schools for refractive error (the need for glasses) and distributed 4,779 pairs of free spectacles to poor children
- Major funding support received from the Australian Government through the Avoidable Blindness Initiative.

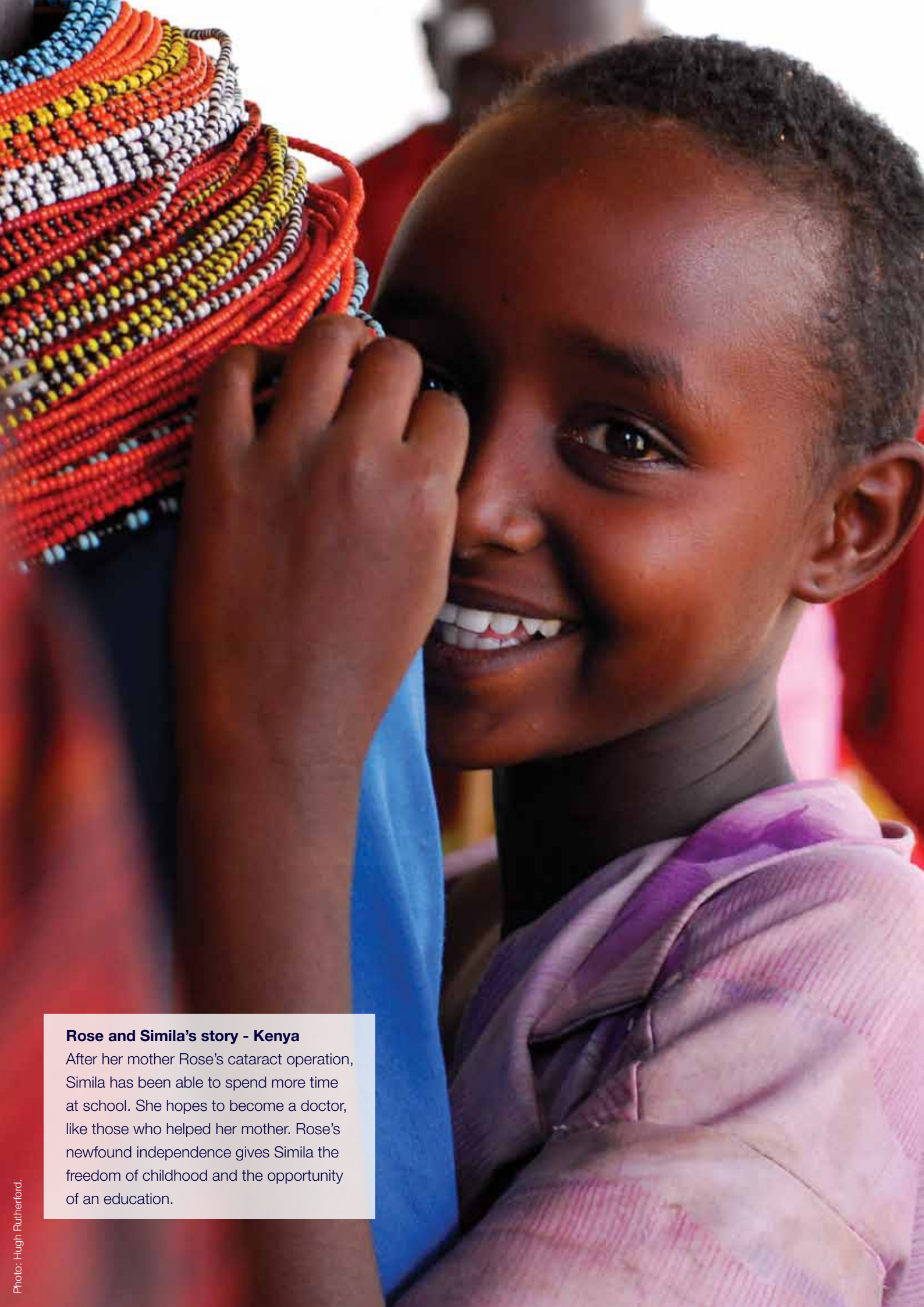
New Zealand and the Pacific Region

The Foundation works with The Fred Hollows Foundation NZ on a joint program in Timor-Leste. In addition, The Fred Hollows Foundation NZ runs eye health programs across the Pacific region. Major achievements in 2010:

- Built the Pacific's first dedicated clinical and teaching facility in Suva, Fiji, to house the ongoing work of The Pacific Eye Institute
- Opened new eye health facilities in Timor-Leste and Papua New Guinea
- Established and trained the first permanent eye surgical team in Timor-Leste
- Delivered training and workforce support to 11 Pacific countries
- Conducted surgical outreaches to remote communities in Fiji, Samoa, the Solomon Islands, Vanuatu, Papua New Guinea and Timor-Leste
- Conducted eye health studies in Papua New Guinea and Timor-Leste
- With support from the World Diabetes Foundation, opened a Diabetes Eye Service in Fiji and inaugurated training in a certificate of Diabetes Eye Care.

Nepal: Mega eye camp

Sight was restored to over 1,000 patients during a five-day mega clinic in remote Nepal. The Foundation partnered with Tilganga Institute of Ophthalmology to hold the micro-surgical eye camp, in the remote Bardiya district.



Rose and Simila's story - Kenya

After her mother Rose's cataract operation, Simila has been able to spend more time at school. She hopes to become a doctor, like those who helped her mother. Rose's newfound independence gives Simila the freedom of childhood and the opportunity of an education.

2010 highlights: Research and scholarships



Next generation: The Foundation is continuing Fred's commitment to training young doctors. Perth's Dr Olivia MacVie, a 2010 Fred Hollows Foundation Fellowship recipient, completed a clinical rotation in remote Nepalese eye camps during the year.

In 2010, we continued Fred's commitment to training young doctors and supported ground-breaking eye health research around the world.

Research breakthroughs

Highlights in 2010 included:

- Female blindness - The Foundation supported a study to assess blindness prevalence in two regions of Bangladesh. It revealed that women are twice as likely as men to be blind - suggesting we need to reach more women
- Prevention beats cure - In Nepal, a recent survey in rural and urban settings serviced by our partners at Tilganga Institute of Ophthalmology found most cataract cases are now able to be addressed early, at a preventative stage, due to improved health services
- Identifying hotspots - The Foundation supported Kilimanjaro Centre for Community Ophthalmology, Tanzania, to develop a statistical model to help plan cataract services across the African continent. This will ensure scarce resources are channelled where they are needed most.

Training young doctors

In 2010, The Foundation supported:

- A Fred Hollows Fellowship for an Australian junior doctor, offered in partnership with the Royal Australian and New Zealand College of Ophthalmologists
- A scholarship for an ophthalmologist from a low-income country for leadership training at the London School of Hygiene and Tropical Medicine
- Two scholarships for African eye specialists to complete higher degrees at the African Vision Research Institute.

2010 highlights: Working together



Vision 2020 in Cambodia: Sun Doaun (pictured) often guided her blind grandmother Yim around their village. Just 24-hours after cataract surgery, Yim can see the little girl clearly for the first time. "The happiest thing is that I can see my grandchildren's faces," she said. "This is what I have been looking forward to, so my dream comes true today."

Working together to eliminate blindness by 2020.

The Fred Hollows Foundation is working in partnership with the Australian Government and eight other Australian vision organisations – The Vision 2020 Australia Global Consortium – as part of a ground-breaking initiative to eliminate avoidable blindness in the Asia Pacific region by 2020.

The Avoidable Blindness Initiative was launched in November 2009 with a commitment of \$45 million from the Australian Government for phase one.

As a result, as many as 100 million people in South East Asia and the Pacific will have their vision restored or improved.

Through this initiative, Australia is playing a leadership role in blindness prevention – setting an example for the rest of the world.

Partners in the Consortium are:

The Fred Hollows Foundation, CBM Australia, International Centre for Eyecare Education, Royal Australian and New Zealand College of Ophthalmologists, Royal Australasian College of Surgeons, Foresight Australia, Royal Institute for Deaf and Blind Children, Vision Australia, Centre for Eye Research Australia.



Our partners

Afghanistan

HealthNet TPO; Human Concern International; Ministry of Public Health Afghanistan.

Australia

Aboriginal Medical Services Alliance of the Northern Territory; Alice Springs Hospital; Anyinginyi Health Aboriginal Corporation; Australian Government; Central Australian Aboriginal Congress; International Centre for Eyecare Education; Indigenous Literacy Project Committee – Australian Booksellers Association and Australian Publishers Association; Jawoyn Association; Maari Ma Health Aboriginal Corporation; Northern Territory Government; Roper Gulf Shire Council; Sunrise Health Service; The Northern Institute - Charles Darwin University; Vision 2020 Australia.

Bangladesh

Child Sight Foundation; Chittagong Eye Infirmary and Training Complex; Government of Bangladesh; National Institute of Ophthalmology; Sightsavers International.

Cambodia

Association of the Blind in Cambodia; Cambodian Disability Mission for Development; Eye Care Foundation, The Netherlands; International Centre for Eyecare Education, Australia; Ministry of Health; National Program for Eye Health; Provincial Departments of Health and Hospitals in: Kandal, Kampong Chhnang, Prey Veng, Kampong Thom, Siem Reap and Kampong Speu; Royal Australian and New Zealand College of Ophthalmologists; University of Health Sciences of Cambodia.

China

Aier Ophthalmology Hospital Changsha; Aier Ophthalmology Hospital Chengdu; Aier Ophthalmology Hospital Group; Aier Ophthalmology Hospital Shanghai; Aier Ophthalmology Hospital Wuhan; Anyuan County People's Hospital; Gaoan City People's Hospital; Guangchang County People's Hospital; Inner Mongolia Red Cross Chaoju Eye Hospital; Jiangxi Provincial Bureau of Health; Jiangxi Provincial People's Hospital PBL office; Jing'an County People's Hospital; Jinxi County People's Hospital; Lanzhou Bright Eye Hospital; Lichuan County People's Hospital; Luxi County People's Hospital; Ningdu County People's Hospital; Pengze County People's Hospital; Shanglv County

People's Hospital; Taihe County People's Hospital; Xiushui County Hospital; Xingan County People's Hospital; Yihuang County People's Hospital.

DPR Korea

Tilganga Institute of Ophthalmology.

Eritrea

Ministry of Health.

Ethiopia

Light for the World - Christoffel Development Cooperation; Amhara Regional State Health Bureau.

Kenya

Division of Ophthalmic Services; Homa Bay District Hospital; Migori District Hospital; Ministry of Health, Kenya; Nakuru Eye Unit Department.

Lao PDR

Ministry of Health of Lao PDR; Provincial Departments of Health and hospitals in Oudomxay, Luang Namtha, Phongsaly and Bokeo.

Nepal

Himalayan Cataract Project, USA; Social Welfare Council Nepal; Tilganga Institute of Ophthalmology.

Pakistan

Al-Ibrahim Eye Hospital; College of Ophthalmology and Allied Vision Sciences; Comprehensive Eye Care Cells in Punjab, Balochistan, Sindh and KPK (Khyber Pakhtoon Khwa); Khyber Eye Foundation, Peshawar; Leyton Rahmatullah Benevolent Trust; Ministry of Health; Pakistan Institute of Community Ophthalmology; Provincial Departments of Health in Punjab, Balochistan, Sindh and KPK (Khyber Pakhtoon Khwa); Singapore National Eye Center; The Alder Hey Children's NHS Foundation Trust, UK.

Rwanda

Gisenyi District Hospital; Kabaya District Hospital; Ministry of Health, Rwanda; Shyira District Hospital

South Africa

District hospitals: Empilisweni, Midlands, Butterworth and St Patrick's; Eastern Cape Department of Health; Mercy Ships Southern Africa; Regional Hospitals: Frontier (Sabona Eye Centre) and St Elizabeth's.

Tanzania

Kilimanjaro Centre for Community Ophthalmology; Muhimbili University of Health Allied Sciences.

Tibet Autonomous Region

Tilganga Institute of Ophthalmology.

Vietnam

Ministry of Health; PACCOM (People's Aid Coordination Committee); Provincial People's Committee and Department of Health in all provinces in which we work; Vietnam National Institute of Ophthalmology (VNIO).

Global Programs

ASSAI Consult Pty Ltd; Australian Government; Control Risks; Diplomacy Training Program UNSW; International Agency for the Prevention of Blindness; International Centre for Eye Health (UK); International Eye Foundation (USA).

The Fred Hollows Foundation New Zealand

Pacific Region

AusAID; Colonial War Memorial Hospital; Fiji Ministry of Health; Fiji School of Medicine; Ministries of Health Solomon Islands, Vanuatu and Samoa; New Zealand Aid Programme; University of the South Pacific.

Papua New Guinea

Alotau General Hospital; Angau Hospital (Lae); AusAID; Catholic Health Services; Divine Word University; Goroka Hospital; Kimbe General Hospital; Kundiawa Hospital; Modilon General Hospital; Mt Hagen Hospital; New Britain Palm Oil Ltd; New Zealand Aid Programme; Wabag Hospital; West New Britain Provincial Health Authority; Wewak Hospital.

Timor-Leste

ASSERT (disability services); AusAID; Centro Saude Community Health Centre; Fo Naroman Timor-Leste; Guido Valadares National Hospital; Los Palos Referral Hospital; Ministry of Health/Eye Health Unit; National Institute of Health; New Zealand Aid Programme; Royal Australasian College of Surgeons/East Timor Eye Program.

Thank you



Photo: Kabir Dhanji

It's only through the generosity of our supporters that The Fred Hollows Foundation is able to achieve so much. Thank you for this commitment – you are changing lives.

Donors

Our supporters come from all walks of life and include individuals, volunteers, corporations, families, workplaces and service clubs. Every dollar received positively impacts a person's ability to live a full and independent life. That's because as little as \$25 can restore sight in some of the countries in which we work.

Over three out of every four dollars raised by The Foundation comes from individual Australians – people who are inspired by Fred's dream of ending avoidable blindness – and determined to make it happen.

To everyone who supported us in 2010 – thank you. Your help really does make a difference.

A living legacy

Just as Fred's legacy continues to restore sight and change lives around the world, many people made a lasting impact by remembering The Foundation through their will in 2010.

While we are rarely able to thank the giver personally, we believe that the use of their gift is a living memorial which transforms lives.

If you are the friend or family member of someone who gave such an important gift, The Foundation wishes to say a heartfelt thank you.

For more information visit www.hollows.org.au or phone **1800 352 352**.

Australian Government



Australian Government
AusAID

The Australian Government's strategy *Development for All:*

Towards a disability-inclusive Australian aid program 2009 - 2014 is designed to ensure that people with disability are comprehensively included and supported in all aspects of the aid program. As part of this strategy, the Avoidable Blindness Initiative (ABI) aims to reduce the incidence of preventable blindness and improve quality of life for people with low vision and blindness. In 2010, The Fred Hollows Foundation received funding through the ABI to support our work reducing avoidable blindness in seven provinces of Cambodia and the municipality of Phnom Penh, along with six provinces of Vietnam.

Thank you



Lao PDR: With your support in 2010, cataract surgeries doubled in Lao PDR's hard-to-reach northern provinces.

Regular giving: Miracle Club

The regular giving of thousands of Australians through The Foundation's Miracle Club continued to make a huge impact around the globe in 2010.

When Fred Hollows set to work treating cataract blindness he knew that a simple eye operation was all it took to liberate a person and their family from a life of needless poverty and ill-health.

Despite what he achieved, the need remains great. Three out of four people who are blind don't need to be.

People who join the Miracle Club make a monthly gift to The Foundation. In some of the countries where we work, giving as little as \$25 each month can restore sight to a person living in darkness.

Thank you to all of our Miracle Club members. Through your monthly gift you are having a long term impact on eye health in countries overseas and improving health and life opportunities for Indigenous Australians.

For more information on becoming a **Miracle Club** member visit www.hollows.org.au or phone 1800 352 352

Thank you

Our supporters

Agility Logistics
Alexander Holt-Wilson
Allens Arthur Robinson
Atlantic Philanthropies
Australian Booksellers Association
Australian Publishers Association
Blackwoods
Cataract and Laser Surgicentre, Adelaide
Commonwealth Department of Health and Aging
Cubit Family Foundation
Ernst & Young
Fairfax
Friends of Fred, Canberra
Freshfields Bruckhaus Deringer, China
Gilbert + Tobin, Solicitors
Hawaiian Group
Indigenous Literacy Project Committee
JCDecaux
Melbourne Grammar School
Ministries of health and ministries of foreign affairs in the countries where we work
Mr Graeme Lade
National blindness prevention programs and committees in the countries where we work
National Resource Assessments
Newsnet.com
Pfizer Australia
Planet Wheeler Foundation
PPS Internet
PwC

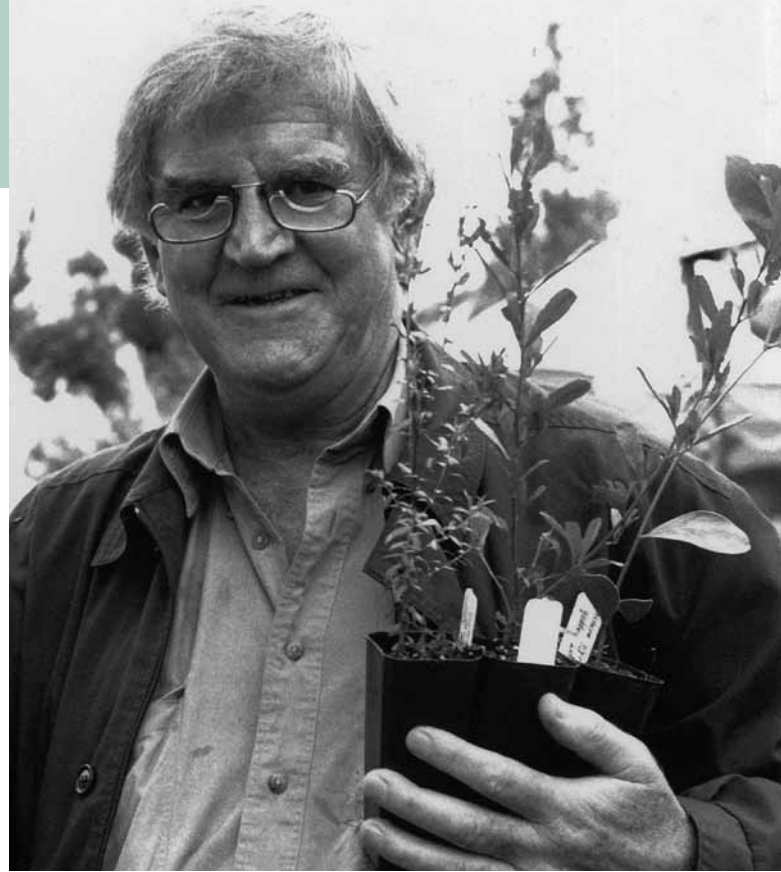


Photo: Hugh Rutherford.

Qantas Foundation
Raftsea
Rotary clubs of Australia
Salmat
SBS
Standard Chartered Bank
Stateless Systems
Stiftung Nord-Sud
Taguchi Mail
The Charitable Foundation
The George Lewin Foundation
The Healing Tree
The Honda Foundation
The Miller Foundation
The Task Force for Global Health
Vision 2020 Australia and its members
Wavelength International
Westpac Foundation
Wild Women on Top
World Health Organization
World Nomads

Values in action

Fred Hollows was a dedicated humanitarian and egalitarian. As an avid hiker, he loved the outdoors and truly valued the environment. Inspired by Fred's spirit, The Foundation is committed to fostering fair, diverse and sustainable workplace practices.



The Hollows way: Fred believed in doing a job properly. For The Foundation that means doing good work the right way.

Environment

In 2010, The Foundation rolled out a number of initiatives focused on reducing the organisation's environmental impact.

Energy consumption

The Foundation's head office in Sydney has moved to 100 per cent green power. In 2010 the office undertook a NABERS Green Office Environmental Assessment which resulted in a 5 Star energy rating. The Foundation also signed up to CitySwitch Green Office, an Australia-wide program promoting environmental awareness and encouraging action by office tenants to increase their energy efficiency.

Recycling

The Foundation has moved to using 100 per cent post-consumer recycled paper. Staff are encouraged to minimise paper use and recycle wherever possible. We have also moved to using recycled paper for communications collateral including annual reports, fundraising appeal letters and envelopes. The Foundation also offers supporters the option of communication via email.

Innovation

In an effort to reduce the need for travel, The Foundation introduced video conferencing technology in its Sydney and Darwin offices. Plans are underway to install the telecommunications systems to link our activities across the globe, with the potential for future upgrades and advances that would explore areas such as tele-medicine and the delivery of e-training.

Reconciliation

The Foundation's vision for reconciliation is grounded in Fred's deep commitment to, and respect for Indigenous people. As well as the significant work we undertake each year through our Indigenous Australia Program, we live Fred's commitment to reconciliation through our wider work practices.

In 2010 we:

- Continued to take eye care to some of Australia's most remote Indigenous communities and helped build strong and sustainable health systems
- Celebrated Indigenous Australian culture and promoted cultural awareness to staff
- Actively supported Indigenous campaigns and events including 'Close the Gap' and NAIDOC Week
- Revised our Reconciliation Action Plan (RAP) to include new goals for building relationships with Indigenous Australians, celebrating culture, and providing training and employment opportunities.

Governance

The Board of Directors

The Foundation is a not-for-profit company limited by guarantee and governed by a voluntary Board. In 2010 there were 12 Directors, most of whom (including the four Office Bearers) are directly elected from and by members at the Annual General Meeting.

Up to one-third of Directors may be appointed. Appointees must be directors or trustees of 'Fred Hollows' entities based in other countries, or people who will add significantly to the achievement of The Foundation's strategic goals. In 2010 there was one Appointed Director – from The Fred Hollows Foundation New Zealand.

With the exception of Gabi Hollows who occupies a special position as 'Founding Director' and has the right to lifetime membership, Office Bearers and Directors are elected or appointed for three year terms and the Constitution sets limits on the maximum consecutive period people may serve on the Board.

The role of the Board

The Board acts as the trustee of the founding spirit and vision of The Foundation, and operates in accordance with a Corporate Governance Charter, available on the organisation's website. It meets quarterly and:

- Sets strategic directions and policies
- Approves and monitors budgets, and ensures appropriate financial and risk management strategies
- Oversees and protects the broader resource base of the organisation
- Ensures compliance with relevant standards, regulations and reporting requirements
- Provides accountability to members and stakeholders
- Appoints, supports and monitors the performance of the CEO, who is charged with the executive management of The Foundation.

Committees

The Board has established four committees which report directly to it.

- Two of these committees support specific elements of the Board's governance responsibilities – the Finance and Audit Committee and the Governance and Nominations Committee
- Two provide strategic advice to the Board on program development – the Medical Advisory Committee and the Program Advisory Committee.

In addition, there are fundraising committees in Melbourne and Brisbane which assist with community promotion of The Foundation and resource mobilisation. These report to Management.

Members

The Foundation is a membership-based organisation. The goal is to have a diverse membership to reflect the democratic spirit of Fred who attracted the support of people from all walks of life. Our members are generous in sharing their wide range of skills and experience with the Board and staff. They form the inner circle of The Foundation's family. As the Corporate Governance Charter says, Directors acknowledge the special trust placed in them by members and their right to hold the Board to account.

Management and staff

At the end of 2010, The Foundation had 83 paid staff and 24 regular volunteers based in Australia's six offices – Sydney, Melbourne, Brisbane, Darwin, Katherine, and Alice Springs. There were also 80 staff based in developing countries where The Foundation has programs. As of December 2010, the Management Team comprised of Brian Doolan - CEO, Betty Hounslow - Deputy CEO, Ram Neupane - Director of Business Operations, David Britton - Director of Public Affairs, Virginia Sarah - Director of International Programs, Veronica Bell - International Programs Manager, Joe Boughton-Dent - Communications and Community Education Manager, Ronak Kumarage - Finance Manager, Vicki Lipa - Human Resources Manager, Joy McLaughlin - Indigenous Program Manager, Flovir Miniano - Administration Manager, Anna-Bella Silva and Heather Macleod - Information Services Co-Managers, Nicola Stewart - Marketing and Fundraising Manager.

Representation/links with other bodies

The Foundation is:

- A member of the Board of Trustees of the International Agency for the Prevention of Blindness (IAPB)
- A partner in 'VISION 2020: The Right to Sight' – a global partnership between the IAPB and the World Health Organization with the goal of eradicating all forms of avoidable blindness by the year 2020
- A member of Vision 2020 Australia
- A member of the Australian Council for International Development, the national peak body of international development NGOs, and a signatory to its Code of Conduct
- A member of the Vision 2020 Australia Global Consortium, an unincorporated joint venture of nine Australian eye health agencies that work internationally
- A signatory and supporter of the 'Make Poverty History' Campaign which aims to achieve the United Nations' Millennium Development Goals by 2015
- A member of the Steering Committee for the 'Close the Gap' campaign which aims to overcome the difference in life expectancy between Indigenous and non-Indigenous Australians.

Board of Directors

The Board of Directors as at December 2010:



Les Fallick - Chair

Les was elected to the Board as Chair in 2010. He is the founder and Executive Chairman of Principle Advisory Services Pty Ltd. He is also Chairman of Miller & Associates (Australia), Deputy Chairman of the Nimrod Group, UK, and a Director of Infrastructure Capital Group. An economist, Les has worked in the government, private, tertiary education and union sectors, and authored two books. He has considerable experience in the not-for-profit sector – most recently chairing the Carbon Advisory Board for Greening Australia.



Michael Johnson - Deputy Chair

Michael has been part of the Board since its establishment in 1995 with the exception of one year, and is a member of the Governance and Nominations and the Finance and Audit committees. Michael is an Associate Professor in the School of Social Science and International Studies at the University of NSW, specialising in development studies.



Howard Davies

Howard has served on the Board since 1998, during which time he was Treasurer and Chair of the Finance and Audit Committee for the full six years permitted by the Constitution. He was re-elected as an ordinary Director in 2010 and is a member of the Governance and Nominations Committee and The Foundation's representative on the boards of FHF UK and FHF New Zealand. Howard has had a 40-year career in business, specialising in the insurance brokerage industry.



Graham Skeates - Honorary Treasurer

Elected to the Board as Treasurer in 2010, Graham brings almost 40 years experience in the accounting profession and financial services industry. He helped launch the Financial Services Accountants Association of Australia, and was the inaugural president. Graham chairs the Finance and Audit Committee.



Robert Dalziel - Honorary Secretary

Bob was first elected to the Board in 2004. He is a member of the Governance and Nominations Committee and the Victorian Fundraising Committee. Bob has over 30 years experience in retail, logistics, travel, marketing, telecommunications and the health care industry. He is the Chair of several companies and also a Director of the Melbourne Rebels Super Rugby franchise.



Sarah Elliott

Sarah has served on the Board since 2005. She is Chair of the Program Advisory Committee and a member of the Finance and Audit Committee. Sarah previously worked at The Foundation in the International Programs team and is now a Principal Policy Analyst with the Department of Human Services, Housing NSW. She holds a Masters of Social Work and Social Policy.

The Directors would also particularly like to thank a number of non-Directors who served on Board Committees during the year:

- Christine Hawkins and Peter Hearl - Finance and Audit Committee
- Rhonda Chapman, Jo Thomson and Lilon Bandler - Program Advisory Committee
- Dr Paul Torzillo, Dr Sanduk Ruit, Dr David Moran (also Director of Board until May 2010) and Dr Katherine Smallcombe - Medical Advisory Committee.



Gabi Hollows

Gabi is the Founding Director and has served on the Board since its establishment. She graduated as an orthoptist in 1972 and travelled with Fred Hollows for three years on the National Trachoma and Eye Health Program. Gabi married Fred in 1980 and together they had five children. Gabi has been declared one of Australia's "100 Living National Treasures" and has an Advance Australia Award (Community Service) and a Centenary Award from the Australian Government. Gabi is the Patron of The Foundation's Miracle Club and undertakes extensive speaking engagements for the organisation.



Brent Impey

Brent Impey is on the board of FHF New Zealand. A leading media executive in New Zealand for many years, Brent was most recently CEO of MediaWorks NZ Ltd. Prior to this Brent practiced as a lawyer for 15 years, specialising in media law.



Mary Kostakidis

Mary joined the Board in 2008 and is a member of the Nominations Committee. A household name as the former presenter of SBS World News, she was a member of the management team that originally set up SBS Television in 1980. Mary's past and present participation on many boards and committees reflects her commitment to social justice, good corporate governance and active citizenship.



Dr Jamie La Nauze

Jamie joined the Board in 2010. He is Chair of the Medical Advisory Committee. He trained as an ophthalmic surgeon in Melbourne and Cambridge (UK), and has a Masters in Clinical Epidemiology. Jamie is a fellow of the Royal Australian and New Zealand College of Ophthalmologists, has written numerous papers on eye health, and contributed to a book on The Foundation's work. Jamie's association with The Foundation goes back to its beginnings when he was part of the inaugural Medical Directorate developing surgical skills through workshops in Vietnam, Cambodia and China.



Stephanie Young

A colleague of Fred's, Stephanie joined the Board in 2006 and is a member of the Medical Advisory Committee. She accompanied Fred on his first trip to Vietnam while training as a registrar at Prince of Wales Hospital and worked in clinics in Bourke and on Thursday Island. Stephanie is an ophthalmologist, a fellow of the Royal Australian and New Zealand College of Ophthalmologists, and Medical Officer at the Concord Repatriation General Hospital in Sydney.



Romlie Mokak

Romlie was elected to the Board in 2008 and is a member of the Program Advisory Committee. Rom is the CEO of the Australian Indigenous Doctors' Association, a leading advocate for health equality for Aboriginal and Torres Strait Islander people. He has extensive experience working at community, state and federal levels and currently serves on national bodies concerned with Indigenous policy and programs.

The full Directors' Report for 2010 is available on The Foundation's website www.hollows.org.au or upon request to bhounslow@hollows.org or 02 8741 1900.

Financial overview

ERNST & YOUNG
Ernst & Young Centre
680 George Street
Sydney NSW 2000 Australia
GPO Box 2146 Sydney NSW 2001
Tel: +61 2 9248 5555
Fax: +61 2 9246 5959
www.ey.com/au

Independent Auditor's Report to the Directors of The Fred Hollows Foundation

We have audited the attached Summary of Financial Reports of The Fred Hollows Foundation ("the Summary") for the year ended 31 December 2010. The financial information contained in the Summary has been extracted from the Financial Report of The Fred Hollows Foundation for the year ended 31 December 2010, upon which we expressed an unmodified audit opinion.

The Responsibility of the Directors for the Summary of Financial Reports

The directors of The Fred Hollows Foundation are responsible for the preparation of the Summary and for such internal controls as the directors determine are necessary to enable the preparation of the Summary that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our audit of the financial report of The Fred Hollows Foundation was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report was free from material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal controls and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected. For a better understanding of the scope of our audit of the financial report of The Fred Hollows Foundation, this opinion should be read in conjunction with our audit opinion on The Fred Hollows Foundation's financial report for the year ended 31 December 2010. We have not performed audit procedures subsequent to the issuing of our audit opinion on the financial report of The Fred Hollows Foundation.

In respect to our opinion on the attached Summary, we have undertaken procedures to form an opinion as to whether, in all material respects (where materiality is related to The Fred Hollows Foundation's financial report), the financial information has been properly extracted from the audited financial report of The Fred Hollows Foundation discussed above.

We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the Summary is free from material misstatement.

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

Liability limited by a scheme approved under Professional Standards Legislation

ERNST & YOUNG

Independence

In conducting our audit we have met the independence requirements of Australian professional accounting bodies.

Opinion

In our opinion, the Summary of Financial Reports of The Fred Hollows Foundation is properly extracted from the audited financial report of The Fred Hollows Foundation for the financial year ended 31 December 2010.

Basis of Accounting

The Summary of Financial Reports is prepared to assist the directors of The Fred Hollows Foundation to meet the requirements of the Australian Council for International Development (ACFID) Code of Conduct. The summary has been extracted from the audited financial report of The Fred Hollows Foundation for the financial year ended 31 December 2010 which was prepared in accordance with Australian Accounting Standards and the Corporations Act 2001.

Ernst & Young
Ernst & Young
Nigel Stevenson
Nigel Stevenson
Partner
Sydney
7 April 2011

ERNST & YOUNG
Ernst & Young Centre
680 George Street
Sydney NSW 2000 Australia
GPO Box 2146 Sydney NSW 2001
Tel: +61 2 9248 5555
Fax: +61 2 9246 5959
www.ey.com/au

Auditor's Independence Declaration to the Directors of The Fred Hollows Foundation

In relation to our audit of the financial report of The Fred Hollows Foundation for the period ended 31 December 2010, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Ernst & Young
Ernst & Young
Nigel Stevenson
Nigel Stevenson
Partner
Sydney
7 April 2011

Liability limited by a scheme approved under Professional Standards Legislation

An independent audit of The Fred Hollows Foundation's financial accounts for 2010 was conducted by:

Nigel Stevenson (Partner)
Ernst and Young
680 George Street
Sydney NSW 2000
+ 61 2 9248 5555

The Summary Financial Reports have been prepared in accordance with the requirements set out in the ACFID Code of Conduct. For further information on the Code please refer to the ACFID Code of Conduct Implementation Guidance available at www.acfid.asn.au. The full financial report can be obtained at www.hollows.org.au/Annual_Reports

Financial overview

For The Year Ended 31 December 2010

(All figures in Australian dollars)

Where the Money Comes From

Community and Corporate Support	29,826,320
Income received from the Australian public and corporations, in the form of public donations, project grants, fundraising and bequests.	
AusAID	5,710,432
Grants received from the Australian Government's overseas aid program.	
Other Australian Govt Depts and Agencies	331,009
Grants received from other Government Departments for Indigenous programs.	
International Corporations and Trusts	2,555,380
Grants received from Trusts & Foundations for International & Indigenous programs.	
Net Gains/(losses) on investments at fair value	247,628
Other Income	(27,515)
TOTAL	38,643,254

How the Money is Spent

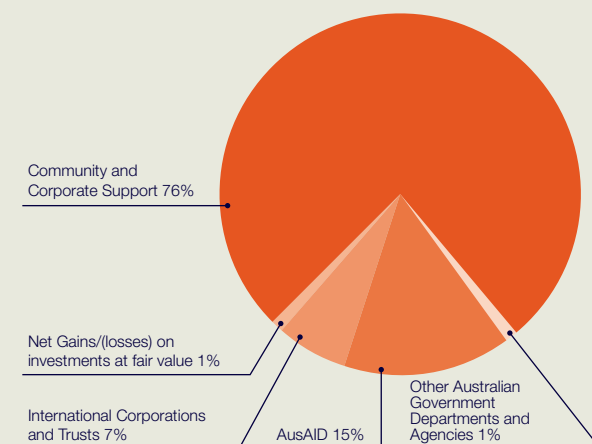
Programs	24,234,290
Africa	4,024,346
South East and East Asia	8,983,158
South Asia	4,778,548
Timor Leste	670,037
Indigenous Australia	5,778,202
Community Education	2,174,192
Fundraising Expenses	7,078,801
Operating Expenses	2,070,314
TOTAL	35,557,596

"Programs" includes expenditure on our development work across both international and Indigenous programs, as well as a small amount of expenditure on emergency relief, along with community education, which includes staff time and outlays involved in providing community information and raising awareness around eye and Indigenous health issues as well as broader international development issues. "Fundraising Expenses" are the costs associated with attracting more support through donations and sponsorships, and includes items such as advertising, mail-outs, the toll-free phone line and processing of donations. "Operating Expenses" covers the administrative and other costs inherent in running an organisation, including staff time in areas such as finance, human resources and administration, insurance premiums, legal and professional fees, and office supplies and other running costs.

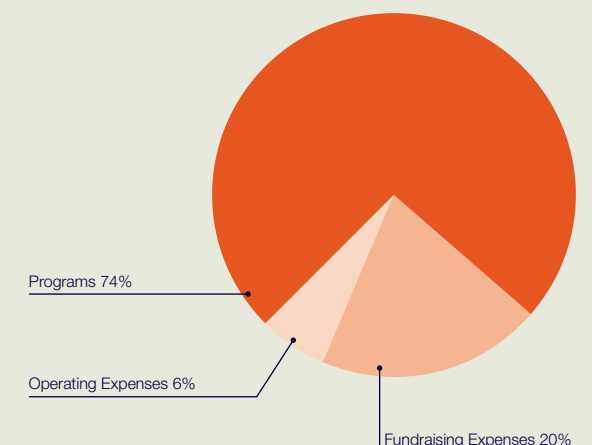
Where the Program Money is Spent

Africa	4,024,346
South East and East Asia	8,983,158
South Asia	4,778,548
Timor Leste	670,037
Indigenous Australia	5,778,202
TOTAL	24,234,290

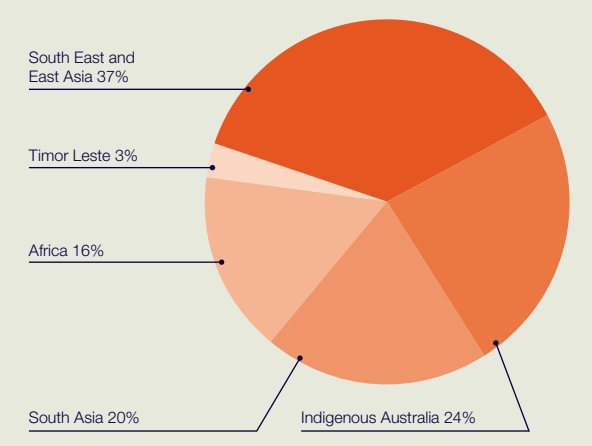
Sources of Income



Ratio of Expenses



Program Expenditure by Region



Financial overview

Statement of Comprehensive Income For The Year Ended 31 December 2010

	Dec 2010	Dec 2009
	\$	\$
REVENUE		
Donations & Gifts		
- Monetary	21,122,498	16,448,088
Bequests & Legacies	8,703,822	7,379,460
Grants		
- AusAID	5,710,432	3,180,198
- Other Australian Government Departments	331,009	577,533
- Other Overseas	-	128,946
- Corporate	2,555,380	1,642,753
Net Gains/(losses) on investments at fair value	247,628	557,817
Other Income	(27,515)	(23,110)
TOTAL REVENUE	38,643,254	29,891,685
EXPENDITURE		
International aid and development programs expenditure		
International Programs		
- Funds to international programs	14,502,386	9,842,250
- Program support costs	3,953,702	2,986,219
Community education	1,655,798	1,037,444
Fundraising costs		
- Public fundraising	5,328,576	3,582,591
- Government, multilateral and private	62,420	55,923
Accountability and administration	1,576,687	1,331,389
Total international aid and development programs expenditure	27,079,569	18,835,815
Domestic aid and development programs expenditure		
Domestic Programs	5,778,202	4,877,727
Community Education	518,394	394,464
Fundraising costs	1,687,804	1,383,460
Accountability and administration	493,627	506,230
Total domestic aid and development programs expenditure	8,478,027	7,161,881
TOTAL EXPENDITURE	35,557,596	25,997,696
Net surplus/(deficit) of income over expenditure	3,085,658	3,893,988
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME (DEFICIT) FOR THE PERIOD	3,085,658	3,893,988

• During the financial years 2010 and 2009 The Fred Hollows Foundation had no transactions for International Political or Religious Proselytisation Programs. No non-monetary Donations or Gifts were received during 2010 and 2009.

Financial overview

Statement of Financial Position As At 31 December 2010

	Dec 2010	Dec 2009
	\$	\$
ASSETS		
Current Assets		
Cash and cash equivalents	3,384,210	8,366,308
Other interest bearing deposits	8,354,561	340,249
Trade and other receivables	4,015,908	1,664,758
Prepayments	365,317	173,547
Total Current Assets	16,119,996	10,544,862
Non Current Assets		
Financial assets at fair value	7,245,020	5,960,400
Property, plant and equipment	1,956,553	1,464,206
Total Non Current Assets	9,201,574	7,424,606
TOTAL ASSETS	25,321,569	17,969,468
LIABILITIES		
Current Liabilities		
Trade and other payables	7,937,465	3,409,384
Borrowings	281,581	456,429
Provisions	549,849	444,243
Total Current Liabilities	8,768,895	4,310,057
Non Current Liabilities		
Borrowings	-	281,581
Provisions	91,203	75,360
Deferred liability	227,793	154,452
Total Non Current Liabilities	318,996	511,393
TOTAL LIABILITIES	9,087,891	4,821,449
NET ASSETS	16,233,678	13,148,019
EQUITY		
Accumulated Funds	16,233,678	13,148,019
TOTAL EQUITY	16,233,678	13,148,019

- At the end of the financial years 2010 and 2009 The Fred Hollows Foundation had Nil balances for Current Assets Inventories, Assets held for sale and Other financial assets, for Non Current Assets Trade and other receivables, Investment property, Intangibles and Other non-current assets, for Current Liabilities Net current tax liabilities, Other financial liabilities and Other, for Non Current Liabilities Other financial liabilities and Other. The Foundation had Nil balances for other Reserves at the end of the 2010 and 2009 financial years.
- The 2009 assets and liabilities have been regrouped as required.

Financial overview

Statement of Changes In Equity For The Year Ended 31 December 2010

	Accumulated funds \$	Future project reserve \$	Total \$
Balance at 1 January 2010	13,148,019	-	13,148,019
Surplus for the year	3,085,658	-	3,085,658
Other comprehensive income	-	-	-
Total comprehensive income for the period	3,085,658	-	3,085,658
As at 31 December 2010	16,233,677	-	16,233,677

	Accumulated funds \$	Future project reserve \$	Total \$
Balance at 1 January 2009	6,418,981	2,835,049	9,254,030
Surplus for the year	3,893,989	-	3,893,989
Other comprehensive income	-	-	-
Total comprehensive income for the period	3,893,989	-	3,893,989
Transfer from reserve	2,835,049	-	2,835,049
Transfer to accumulated funds	-	(2,835,049)	(2,835,049)
As at 31 December 2009	13,148,019	-	13,148,019

- The Foundation does not separately manage the Accumulated funds and other reserves and has therefore transferred the balance held in the Future project reserve to Accumulated funds in 2009.

Table of Cash Movements for Designated Purpose

No single appeal or other form of fundraising for a designated purpose generated 10% or more of total income for the year ended 31st December 2010.



Zeineb's story - Eritrea

Zeineb, 3, was almost totally blind after being born with cataracts in both her eyes. Life was incredibly hard for Zeineb and her family until she received surgery at the National Eye Hospital in Asmara. Her sight was restored by Fred's old friend, Dr Desbele Ghebreghegis.



Photo: Jonathan Chester/Extreme Images.

Record results for 2010:

12,961

Medical and support staff trained

194,903

Eye operations and treatments

\$3,475,629

Equipment delivered

1,310,226

Eye screenings

41

**Medical facilities constructed
and renovated**

Nepal: Fred examines a patient in Nepal while his close friend and colleague Dr Sanduk Ruit looks on. Dr Ruit is the world-renowned Medical Director of Tilganga Institute of Ophthalmology in Kathmandu, an eye health organisation The Foundation supports.

1800 352 352 | www.hollows.org.au

Locked Bag 5021 Alexandria NSW 2015 Australia
phone: +61 2 8741 1900



**The Fred Hollows
Foundation**